Daily Report

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Pact To Disband Military Structure by 1 Jul

LD1411222290 Prague Domestic Service in Czech 2200 GMT 14 Nov 90

[Text] Experts of six member states of the Warsaw Pact have agreed on the disbandment of the military structures of this alliance by 1 July of next year. This was announced in Budapest today by a senior representative of the Hungarian Foreign Ministry, Istvan Koermondi. He said, however, that this decision of experts must be approved by the Pact summit meeting. He did not give any details of the place or time of the experts' meeting.

Hungary-CSFR-Poland Military Cooperation Starts

LD1511181190 Budapest Domestic Service in Hungarian 1700 GMT 15 Nov 90

[Excerpt] Simultaneously with the disintegration of the Warsaw Pact, Hungarian-Polish-Czechoslovak military cooperation is taking shape. Gabor Nemes reports from Warsaw.

[Nemes] Poland endeavors for de facto neutrality; thus it does not wish to join NATO, or to conclude a military alliance with the Soviet Union, which would hamper the principle of maintaining an equal distance from everyone, Polish Defense Minister Admiral Kolodziejczyk said at his news conference today. Of course, this will be valid for the post-Warsaw Pact era. The Pact functions in theory only; its sole function is consultation. This, however, will be necessary for a relatively long time, partly because it fills a political vacuum and partly because the Vienna arms limitation agreements must be implemented with joint arms ceilings.

In connection with the ruins of the Warsaw Pact, the minister separately underlined the importance of Polish-Czechoslovak-Hungarian cooperation. Poland otherwise is forming an entirely new military doctrine, which does not concentrate the army in one sole direction, the West, but which intends to show the same strength in all directions. Of course, this force is decreasing, in accordance with the favorable political situation. [passage omitted]

CSFR Deputy Foreign Minister on Warsaw Pact

AU1211085890 Budapest NEPSZAVA in Hungarian 6 Nov 90 p 2

[Interview with CSFR Deputy Foreign Minister Robert Harencar by unidentified correspondent in Budapest; date not given: "How Do You Envisage the Future of the Warsaw Pact?"—first paragraph is NEPSZAVA introduction]

[Text] We interviewed Robert Harencar at the arms reduction negotiations held in Budapest last week.

[NEPSZAVA] The CSFR has announced its intention to leave the military organization of the Warsaw Pact. How do you envisage the future of the Warsaw Pact?

[Harencar] We are for the reorganization of the Warsaw Pact. We intended to discuss this here in Budapest. However, as you also know, the Soviet Union asked to postpone the session of the Warsaw Pact Political Consultative Committee. As the host, Hungary accepted this, and we also agreed with the request. Thus, we will be able to present our initiative only after the Paris summit. In our opinion, the Warsaw Pact should change from a military organization into a political organization. This is our final position.

[NEPSZAVA] Recently, President Havel announced that "Czechoslovakism" was over. Secession efforts are increasing in Slovakia. The Bratislava government had a crisis a few days ago. Do you see any connection between these things?

[Harencar] The Slovak Government crisis emerged exclusively as a result of the conflicts within the government, more precisely between Premier Meciar and Interior Minister Anton Andras. There is no connection whatsoever between the government crisis and any statement made by President Havel or the recently adopted Slovak language law.

CSFR, Hungarian, Polish Ministers Discuss CEMA

AU0611142090 Prague CTK in English 1651 GMT 2 Nov 90

[Text] Prague Nov 2 (CTK)—Preparations for the coming session of a special commission for reform of the Council for Mutual Economic Assistance (CMEA) were consulted here today by Czechoslovak Economics Minister Dlouhy, Hungarian External Economic Relations Minister Bela Kadar, and Minister-Head of the Polish Central Office for Planning Jerzy Osiatynski.

They exchanged views on experts' working drafts to terminate the validity of the CMEA statutes and a proposal for the statutes of a new organization.

CMEA members agreed at the beginning of this year to transform the organization into a new one corresponding to the political and economic changes which have taken place in the countries of the former socialist community. The Council was founded in 1949 to assist the economic development of its member states through the sharing of resources and the coordination of efforts. However, it failed to fulfill its goals due to the bureaucratic regimes in the countries and the central-command economies.

Lukanov Threatens To Resign if Budget Rejected

AU1511153790 Sofia Domestic Service in Bulgarian 1419 GMT 15 Nov 90

[Statement by Council of Ministers Chairman Andrey Lukanov at the Seventh Grand National Assembly in Sofia—live]

[Excerpts] Esteemed Mr. Chairman, ladies and gentlemen people's representatives,

When on 10 October I presented here the governmental program on the further democratization of our society and accelerating the transition toward a market economy, I stressed the fact that the government cannot successfully implement this program without your support, the support of the social organizations and forces outside parliament, and the support and understanding of all of society. Some 20 days later, in my speech on concluding the discussion of the program, I asked the political forces and the president to conduct the necessary consultations by the end of last week if possible, in order to decide what program the Grand National Assembly is prepared to support, what government should implement the program, and what conditions must exist in order to achieve national consensus. Simultaneously, I reserved for myself the right to adopt a personal decision on the basis of the results of the consultations.

The consultations have taken place, albeit with, I think, a lack of sincere striving to achieve positive results.

Last Friday [9 November], as you know, there was a meeting of the political forces with the chairman of the Republic. At that meeting, against the background of Dr. Zhelev's forthcoming visit to Japan, and with a view to conducting additional consultations, an agreement was reached for the present government to continue its functions and begin the implementation of the reforms by adopting specific actions. I agreed to this, but also pointed out that for me, the need to obtain broad parliamentary support for the program continues to be essential. [passage omitted] Taking into account the spirit of the meeting with the president, the opinion of the president, and the positions of the representatives of the political forces, I decided that it would be advisable to refrain from actions that would complicate the political situation and allow for further political consultations before I adopted my final decision. At present I do not think that it is necessary or justifiable to further postpone my decision. [passage omitted]

Esteemed ladies and gentlemen, I appeal to you to relinquish your party bias, personal ambitions and negative emotions, and support the draft budget as proposed by the government. The reform has begun. Your support for the draft budget will determine whether it will continue.

On 1 November I said here that if the governmental program does not receive broad parliamentary and social support I would not be able to continue to carry out my duties. Today I confirm this position with even greater conviction. Let me point out that for me the attitude of the Grand National Assembly to the proposed budget changes will be a test of the members' attitude to the proposed economic reforms.

When I mention a broad parliamentary support I naturally do not mean total unanimity. However, since it would be absurd to postpone any longer the decision on the draft budget, which was submitted to the parliament almost three weeks ago, I insist that the decision is adopted by tomorrow's session of the Grand National Assembly at the latest. If the draft budget, which, as I said, is the core of the program of the first 100 days, does not receive the necessary support, or its discussion its postponed, please view this as if the prime minister has resigned from his post. I leave it to you and to the chairman of the Republic to discuss the decisions that would be necessary if such a situation arises. To be understood with absolute clarity I would again like to point out that I am prepared to implement the program I proposed. I am not confused or alarmed by the well-orchestrated campaign against the leader of the government that has developed in the last few days. This campaign, which amazingly puts one in mind of similar campaign of Zhivkov's time, must not decide the fate of a government. This fate must be decided here, at the Grand National Assembly, and by you, whom the people have sent here to implement their real will.

Therefore, assuming my personal responsibility, I call upon you to assume your responsibility. This responsibility is grave, but such is the time in which we live. No one can ignore the fact that many things in our country, as well as its fate and place in the world depend on our decisions. Only if we are united can we meet the challenges that face us. Therefore I would like to end with another, perhaps naive, but nevertheless, sincere appeal, for national consensus and cooperation. The example must come from this hall. I personally feel that in recent days, despite the complicated nature of the situation, the preconditions for forming a bloc of common sense, realism, and national responsibility have emerged here. Only if we succeed in overcoming the party bias and the accelerated polarization will we have a chance to go down in history as people who not only loved Bulgaria in words, but did something positive for it at a time of grave trial.

Thank you for your attention.

Assembly Approves Revised 1990 Budget

AU1611082590 Sofia BTA in English 2254 GMT 15 Nov 90

[Text] Sofia, 15 Nov (BTA)—After Prime Minister Mr. Andrey Lukanov issued an ultimatum and after a stormy debate, parliament today voted in a government-proposed national budget update for the period until the end of the year.

After the vote the National Assembly building was besieged by people chanting "Resignation!" and "We are hungry!"

The Socialist MP's alone voted in favour of the budget. "You are giving the green light to skyrocketing prices," Mr. Stoyan Ganev MP, one of the opposition leaders, said after the vote. The opposition accused Prime Minister Mr. Andrey Lukanov of acting by an inadmissible ultimatum.

At the beginning of today's sitting, Mr. Lukanov said that if the budget is not passed by tomorrow at the latest, he would resign his post. Even though the opposition insisted on an adjournment of today's debate because the new budget was only discussed at the budget committee, a debate was nevertheless held.

Prime Minister Mr. Lukanov, in one of his numerous statements today, emphasized that the government-proposed budget, drafted by an entirely new approach, and the cabinet's one hundred day schedule presented this week showed that his cabinet has started to work. In the course of the debate the premier was compelled to take the floor and declare that his government does not make it its aim to fulfill the democratic socialism platform of the BSP [Bulgarian Socialist Party].

The revenues and the expenditures are balanced in the 1990 last quarter budget, which went through the first-reading vote today. It does not envisage budgetary allocations to material production and to the nonproduction sphere. The government plans to off set the price increases. "That is why I voted in favour of this budget," said Mrs. Nora Ananieva, deputy chairman of the Council of Ministers.

"These are neither market prices nor a beginning of a market reform with the continued monopoly of state property," opposition MP's stressed on several occasions the pointlessness of the forthcoming several-fold price hikes.

Arson Attacks Against Lukanov's Home Reported

AU1511145190 Sofia BTA in English 1343 GMT 15 Nov 90

[Text] Sofia, 15 Nov (BTA)—On November 14, at about 2320 hrs. unidentified persons made an attempt to ignite the entrance door of the building where Prime Minister Andrey Lukanov lives.

"This act is yet another evidence of the rising extremist forces interested in destabilizing the country and breaking civil peace," it is said in the announcement of the Ministry of the Interior.

The case is under investigation.

Prime Minister's Garage Set on Fire

AU1611082390 Sofia BTA in English 2324 GMT 15 Nov 90

[Text] Sofia, 15 Nov (BTA)—Around 8 pm today the garage of Prime Minister Mr. Andrey Lukanov was set on fire today, Mr. Pencho Penev, minister of internal affairs, told parliament this evening.

"I am afraid because this does not happen with respect to just anybody but with respect to the prime minister of a democratic country," Mr. Penev said and emphasized that the situation in the country is exceedingly strained.

This is the second attack on the premier's property within twenty four hours. Last night an attempt was made to set on fire the front door of the block of flats where Mr. Lukanov lives.

Ex-Prime Minister Todorov Resigns From Assembly

AU1611091490 Sofia BTA in English 0837 GMT 16 Nov 90

["In Parliament: Laws, Resignations and Appointments"—BTA headline]

[Text] Sofia, 16 Nov (BTA)—Late last night the Grand National Assembly carried an amendment to the Bulgarian Citizens Names Act by overwhelming majority and acclamation. Under the legislation, the ethnic Turks who were forcibly renamed by the old regime can have their names restored without the mandatory Bulgarian patronimic and surname suffixes. A Movement for Rights and Freedoms MP thanked his colleagues and declared that Bulgarian Turks will not stick to archaic Turkish traditions in the restoration of their names. Representatives of the parliamentary factions assured their constituents that the passage of the amendment creates conditions for a future equal-rights coexistence of the communities. It does not impair the Bulgarians' rights, they said, reassuring those Bulgarians living in mixed population areas who fear Turkish nationalism. Despite these assurances, when they were leaving parliament the MP's were greeted with shouts "traitors" and "mercenaries" by protesters from the mixed-population areas.

Mr. Dimitur Lozanchev was elected president of the Supreme Court.

Last night parliament accepted the resignation of Mr. Stanko Todorov MP of the BSP [Bulgarian Socialist Party]. Mr. Todorov, 70, who has been holding positions of responsibility in the BCP [Bulgarian Communist Party] and the state hierarchy for 45 years, motivated his request saying that his age and health did not allow him to take an active part in parliamentary proceedings. Mr. Todorov served as prime minister, chairman of the National Assembly, and Politburo member of the CC [Central Committee] of the BCP. He has been member

of parliament since 1957. During the farm cooperativization he was in charge of agriculture.

New Supreme Court Membership Finalized

AU1611102490 Sofia BTA in English 0929 GMT 16 Nov 90

[Text] Sofia, 16 Nov (BTA)—Late last night parliament voted in personnel changes for the Supreme Court. Its new president, Mr. Dimitur Lozanchev, was nominated by the opposition Union of Democratic Forces. He has never been a member of any political party. Of the newly elected 18 Supreme Court judges, only two are former members of the BCP [Bulgarian Communist Party].

It was common practice under the previous regime to promote in the court hierarchy only people loyal to the authorities. Almost all members of the Supreme Court so far were members of the Bulgarian communist (now Socialist) Party. At the end of last month parliament carried legislation depoliticizing the law courts.

Back in July the opposition moved for personnel changes in the Supreme Court. The Socialists finally realized that depoliticization alone is not enough and that a balance is needed, an opposition MP said, specifying that their idea to elect honest people not linked with the former regime as judges initially met with strong resistance. This is yet another victory for the opposition, he added.

Talks Between Student Strikers, Delegates Fail

AU1511155590 Sofia BTA in English 1439 GMT 15 Nov 90

[Text] Sofia, 15 Nov (BTA)—The talks the parliamentary forces held yesterday to discuss the wave of students' strikes, which have been spreading over the country in the last ten days, did not yield any result, it was announced late last night at a meeting of the strikers. According to the latest information forty-four universities and colleges are on strike.

No representatives of the students were allowed to attend the talks. According to the statement of the opposition leader, Dr. Petur Beron, made before the students late last night the Socialists are trying to foist off a parliamentary declaration condemning sit-in strikes as a form of students' protest. "They refuse to realize how dangerous it is to drag out the settlement of the students' demands who insist on nationalizing the property of the Bulgarian Socialist Party (BSP), bringing to court the culprits for the catastrophe, putting to trial the former members of the apparatus of the Communists and the communist government," Dr. Beron pointed out.

Parties and movements and a lot of MP's repeated their statements expressing support for the students' demands and underlining they have no objections as to the form of the students' protest. By yesterday evening 87 MP's had signed a declaration in full support of the students. "You are again on the crest of the wave, but the government is indecisive," it is said in the declaration. It is insisted that "the competent authorities" should consider the students' demands and tackle the problem. Some national representatives of the BSP also signed the declaration, artist Boris Dimovski, history associate professor, Dragomir Draganov and writer Kolyo Georgiev being among them.

Dr. Beron personally and some other leaders of the Union of Democratic Forces (UDF) [SDS] are against the sit-in strikes. They are trying to convince the students to show "common sense," because "Bulgaria has embarked on the road to parliamentary democracy anyway." The division of opinions has prompted several times the exchange of sharp mutual charges between the strikers' leaders and the opposition. The students accuse the UDF of making use of their protest for political purposes of its own. They say that the UDF is appealing for common sense, but at the same time it is conspiring with the Socialists in parliament behind the scenes.

"Our velvet revolution is going on and we will find our Havel," the leader of the students' strike committee, Atanas Kirchev, said last night. He was leading the students at the time of the summer strike when the former president Petur Mladenov was forced to resign.

At yesterday's discussion it was repeated several times to the strikers that "Bulgaria is neither Czechoslovakia nor Hungary" and that "it would take the Bulgarians some time to finally decide whether they want or do not want socialism." The socialists should leave the political arena in a legal way, they should not be forced into doing it through revolution," the opposition MP Aleksandur Yordanov said.

At their last night's meeting the students underlined that the fire in one of the lecture halls of Sofia University and the fire at the University of Plovdiv were provocation. Yesterday the students reinforced their pickets.

Assembly Calls For End to Strikes

AU1511213990 Sofia BTA in English 1906 GMT 15 Nov 90

[Text] Sofia, 15 Nov (BTA)—The Bureau of the Grand National Assembly, the leaders of the parliamentary factions and the leading members of the standing committees call on the students to call off their sit-in strikes in parliament today.

In a special announcement parliament described the sit-in strike as an inadequate form to solve any question and expressed disagreement with the occupation of educational establishments. It is emphasized that the dialogue with the government and with the political forces must continue.

Forty-five senior and junior colleges around the country are already on strike. The students raise trade union demands and lay political claims to the Bulgarian Socialist Party for its property and for criminal liability of its leaders.

The students' strikes were considered by the parliament's bureau and by the leaders of the parliamentary factions on the vice president's initiative. Representatives of the students were not admitted to these discussions, although they wanted to attend.

One hundred and five MP's, Socialists included, have signed a declaration giving their unqualified support to the students demands and urging the state bodies to act accordingly. Only two of the signers have reservations about the sit-in form of protest.

Constitutional Amendment Changes Country's Name

AU1611082690 Sofia BTA in English 2308 GMT 15 Nov 90

[Text] Sofia, 15 Nov (BTA)—This evening the Grand National Assembly voted in an amendment to the Constitution whereby the qualifier "People's" was dropped from this country's official name which, as from today, will be the Republic of Bulgaria instead of the previous People's Republic of Bulgaria.

Opposition MP's stressed that the notion "People's" duplicates the notion "Republic" and that lawlessness against the people has been committed in the name of the "People's Republic" over the last forty-five years.

Two-Day Ban on Exports of 'Vital' Food Imposed

AU1511120390 Sofia BTA in English 0956 GMT 15 Nov 90

[Text] Sofia, 15 Nov (BTA)—The final decision on the moratorium on the export of Bulgarian foods, except for the food stuffs exported against delivery of goods which are of vital importance for the country, will be adopted at the parliamentary sitting on Friday [16 November]. Last night, a little before midnight, an agreement was reached to suspend the shipment of meat (chicken included), meat-based products, livestock and dairy produce for two days—today and tomorrow.

The question of the moratorium was additionally included in yesterday's parliamentary agenda on the motion of Mr. Aleksandur Karakachanov, an MP of the Union of Democratic Forces and mayor of Sofia. He motivated his motion with the growing food shortage in the market and the mounting tension among the population.

The controversy was mainly between the opposition, which blamed the government for the crisis in the market, and Prime Minister Andrey Lukanov, who took the floor several times. He insisted that food exports should be allowed only against the import of petrol, fuel oil, sugar, grain and proteins. Mr. Lukanov pleaded with parliament not to make "a hasty decision" which would discredit Bulgaria before her partners and pointed out that the parliamentary committees should be given time to precisely decide what quotas of foods should be exported to get other goods which are necessary for the country.

The opposition was inflexible and insisted on adopting immediately a decision and expressed doubts that the government "would carry out its own decisions in good faith."

Supported by the socialist majority parliament, Mr. Lukanov managed to get a postponement as to the settlement of the problem for Friday. He undertook to present the respective information about the development of export-import deals to the Parliamentary Commissions for Agrarian and Economic Policy.

BSP Council Split Over Lilov Leadership Issue

AU1511152390 Sofia DUMA in Bulgarian 14 Nov 90 pp 1, 2

[Report by Dora Chichkova, Vasil Popov, and Angel Bonev]

[Text] A letter signed by 16 members of the Presidium, members of the Supreme Council of the Bulgarian Socialist Party [BSP], and individual Socialists caused a division of opinions in the supreme party leadership. After many hours of discussion covering two nights, 50 people supported the conclusions and proposals contained in the letter, 58 disagreed with them, and four persons abstained. Voting was conducted by name.

However, within the party Presidium the relative support for the two positions is different. More than two-thirds of the Presidium membership signed the letter, which proposes that Aleksandur Lilov withdraw from the chairmanship.

The letter is signed by Aleksandur Tomov, Andrey Lukanov, Anzhel Vagenshtayn, Blagoy Dechev, Georgi Bliznashki, Georgi Pirinski, Deyan Rizov, Dimitur Yonchev, Ivan Dinkov, Lyubomir Kyuchukov, Nenko Temelov (with reservations), Petur-Emil Mitev, Rumen Georgiev, Stefan Prodev, Filip Bokov, and Chavdar Kyuranov.

These people were described by Neshka Robeva as careerists who are fighting for power, while Dobri Dzhurov perceived in their intentions a plot which had begun as far back as the congress.

At the same time, the authors and most of the members of the BSP Supreme Council and the BSP parliamentary group defined the letter as a motive for holding a mature discussion on the state of the party, its leadership, and the need for cadre renewal. The participants in the debate, in defending one of the two positions, dealt with important topics, such as the style of leadership and the causes and consequences of the delay in addressing the issues of the party's responsibility, its property, and personal guilt.

There must be a change in the BSP leadership, and this was the main thing which persuaded me to sign the letter, said Andrey Lukanov at the session, which ended at 6 am yesterday morning [13 November]. However, if I had drafted the letter, he continued, it would not have contained two elements: first, the presentation of the ultimatum that if Lilov does not withdraw, others will leave; and second, the accusation that Aleksandur Lilov is guilty of establishing an authoritarian style in the leadership. Lukanov commented that there was no qualitative distinction in his own and Lilov's roles in the old leadership.

The prime minister went on to speak of the complex nature of the present political time, in which it is difficult to adopt a precise decision. He did not withdraw his signature from the letter, but missed the voting on the resolution because of an engagement.

I do not share some of the conclusions in the letter, said Aleksandur Lilov, and stressed that his own viewpoint coincides with the assessments of the 39th BSP Congress. According to Lilov, "A better way could have been chosen to raise these issues." He stated his readiness to withdraw from the post, but insisted that this should take place under conditions which prevent his decision from being interpreted as political desertion.

Aleksandur Lilov said that as the party leader he assumes total political responsibility for what happens or does not happen in the BSP. He declined to name a possible successor for himself.

Concerning the changes in the country and the party, Lilov expressed the view that the BSP had a unique chance of preserving itself as a political force, thanks to the fact that it began the change in good time and in the right direction. In his view, the processes are somewhat delayed, but it is important in politics to do everything in a timely way and with no illusions. The political reform is not being delayed, he said, but the frightening thing is that the economic reform is being held up.

He warned later of the possibility of the ruin of the party and the splitting of the parliamentary group. The BSP is in danger of handing over the power it won in the elections. Lilov called upon the Supreme Party Council to see the true realities.

Later on in the debates, Blagoy Dechev and Aleksandur Tomov argued that it might be better to withdraw the letter, but the majority of the others stood behind their signatures.

Several people stated their intention to withdraw from the party leadership. Stefan Prodev also said that in the situation which had emerged he could no longer remain editor in chief of DUMA. The resignations were not discussed, and the meeting made no final decision concerning them.

According to Yanaki Stoilov, the discussion at the meeting, irrespective of its outcome, provided no answer to the questions of what the party's strategy, political line, and conduct should be in the emerging dramatic social situation. However, the majority regarded the talks as useful. A positive attempt was made to reconcile the positions, and ways were sought to confirm the positive tendencies in the renewal of the party.

At 6:30 am on 13 November the Supreme Party Council instructed Aleksandur Lilov to propose changes in the membership of the Presidium within the next few days.

The session of the BSP Supreme Council approved by vote a protest resolution against the call made by the Coordinating Council of the Union of Democratic Forces to destabilize social life in connection with the policies of the Lukanov government.

Decision Adopted on Members' Letter

AU1511175690 Sofia DUMA in Bulgarian 14 Nov 90 p 1

[Text] Following a detailed discussion of the letter from members of the Presidium, members of the Supreme Party Council, and individual Socialists to the chairman of the Supreme Council of the Bulgarian Socialist Party [BSP], the Supreme Party Council adopted the following decision, with a vote of 58 for, 50 against, and four abstentions:

It does not support the conclusions and proposals contained in the letter, and reaffirms the political confidence in Aleksandur Lilov, chairman of the BSP Supreme Council, granted to him at the 39th BSP Congress.

Private Taxis Block Streets in Sofia, Pleven

AU1311203390 Sofia Domestic Service in Bulgarian 1830 GMT 13 Nov 90

[Text] Today about 400 private taxi drivers with their cars organized a protest action in support of their demands that their meager gasoline allowances be brought into line with those of the state taxi enterprises. A representative of the Administrative Council of the Private Taxi Drivers Union stated this to a BTA reporter.

At lunchtime, at varying intervals between 1230 and 1310, private taxis blocked three crossroads in Sofia. A protest action also took place in Pleven, in which about 200 cars took part. According to the union representative, the traffic police took away a number of drivers' licenses on the grounds that the action was illegal.

This morning Ivan Iliev, chairman of the Private Taxi Drivers Union, which is a member of the "Podkrepa" Labor Confederation, had a meeting with representatives of the Ministry of Transport and the State Petroleum Company. Agreement was reached in principle on granting the union a gasoline station in Sofia, if the union will provide gasoline for the station to function.

Kozloduy Plant Fault Identified; Repairs Started

AU1311134390 Sofia Domestic Service in Bulgarian 1600 GMT 13 Nov 90

[Text] The technicians working on eliminating the breakdown of the fifth generating unit at the Kozloduy Nuclear Power Plant have discovered the cause of the fault. After dismantling the rotor of the 1000-megawatt turbine, they found a minor defect in the operation of the electrical equipment. The repair of the defect will not take long, and it is estimated that a further two weeks work will be needed to complete the repairs and the reassembly of the unit.

Work will continue in three shifts until running tests of the turbine are carried out and the unit can be reconnected in parallel to the country's energy system.

Dissident Vladimir Kostov Returns After 13 Years

AU1511214690 Sofia BTA in English 1914 GMT 15 Nov 90

[Text] Sofia, 15 Nov (BTA)—After a thirteen-year-long absence, the well-known dissident journalist and Radio Free Europe commentator Mr. Vladimir Kostov arrived in Bulgaria today.

"Although I'm coming now in a tourist capacity, I feel I'm coming back home," he told reporters who besieged him at Sofia airport. "I would like to say right away that I know of Bulgaria's problems and I am deeply convinced that things will improve. If I were not optimistic about the future of this country, my current visit would be pointless. During all those years I have lived with the thought of Bulgaria and its problems," he said.

Asked whether the time would come when he would return and work in Bulgaria, Mr. Kostov said he does not rule it out but has not got any specific plans for the time being.

He told the press that he would take all necessary steps for a comprehensive review of his case because it does not just concern himself personally but pursued much higher political goals.

Former Deputy Trade Minister Released From Jail

AU1611085290 Sofia ZEMEDELSKO ZNAME in Bulgarian 13 Nov 90 p 3

[V. Petkova report: "Prosecutor Releases Georgi Vutev From Prison]

[Text] On 12 November at Sofia's Palace of Justice, criminal case No. 765/1990 was reviewed. In a 20-minute speech the attorney for Georgi Nanev Vutev, (former deputy minister of foreign trade and State Security employee), requested the release of his client. So far Georgi Vutev has served four years and seven months of his 15-year sentence. According to the defense, after numerous violations of the law and human rights Georgi Vutev had been accused unjustly of receiving bribes and committing foreign currency violations.

The prosecutor granted the request of the attorney.

Tankers Arrive With Petroleum From USSR, Libya

AU1611091290 Sofia DUMA in Bulgarian 14 Nov 90 p 1

[Text] The Bulgarian tanker "Struma" docked on 13 November at the "Druzhba" Port in Burgas with a cargo of 65,000 tonnes of petroleum from the Soviet port of Toapse. Work started immediately on discharging the valuable raw material. Another Bulgarian tanker, the "Khan Asparukh," with a cargo of Libyan oil, is also being unloaded as quickly as possible.

An additional tanker carrying oil from the Soviet Union is expected to arrive at Burgas port in the near future.

Gotsev Meets With Woerner at NATO Headquarters

AU1611080690 Sofia BTA in English 2345 GMT 15 Nov 90

[Text] Brussels, 15 Nov (BTA)—Mr. Lyuben Gotsev, Bulgaria's minister of foreign affairs, today paid an official visit to the NATO Headquarters. He was received by Dr. Manfred Woerner, secretary general of NATO, and after that conferred with the permanent representatives of the North Atlantic Alliance member countries.

After the meetings Mr. Lyuben Gotsev and Dr. Manfred Woerner made statements for the press.

Mr. Lyuben Gotsev said that at his meeting with the secretary general, held in an atmosphere of understanding, they had considered a wide range of bilateral concerns which are particularly important for Bulgaria. At a time when the Warsaw Treaty and above all its military structure is going into history, Bulgaria is looking for new friends, opportunities and ways to defend its national security, the minister emphasized. He said he was pleased with his talks with the permanent representatives of the NATO member countries who had raised a number of questions about Bulgaria's situation, problems and foreign policy. The contacts will go on, as will the search for new forms of cooperation between Bulgaria and NATO, Mr. Lyuben Gotsev said.

The talks, which were held in a friendly spirit, were very spirited, interesting and candid, Dr. Manfred Woerner said. The first visit here by a Bulgarian cabinet member opens a new era in our relations, he emphasized. The CSCE summit, which will take place in Paris in a couple of days, should secure the framework within which Bulgaria and the other Warsaw Treaty countries will be building a new, free and united Europe together with us. NATO, the only still operative organisation for collective security in Europe, will continue to play a useful

role, Dr. Woerner said. The alliance will keep maintaining solidarity and joint defence but, at the same time, in its pursuit of bilateral relations with the Warsaw Treaty countries, it will be seeking to build a network which can and should contribute to stability in Europe, the secretary general pointed out. He announced that he had accepted an invitation to visit Bulgaria next year and that the date for this visit will be specified soon.

Talks With EC Commission Vice President

AU1611091790 Sofia BTA in English 0814 GMT 16 Nov 90

[Text] Brussels, 16 Nov (BTA)—Mr. Lyuben Gotsev, minister of foreign affairs, conferred yesterday with Mr. Frans Andriessen, vice president of the Commission of the European Communities for external relations, trade policy and cooperation with European non-community countries.

It was confirmed that Mr. Andriessen will visit Bulgaria in late November when the Joint Commission for Trade and Economic Cooperation Between Bulgaria and the EC will meet in Sofia.

Mr. Frans Andriessen expressed readiness to start preliminary negotiations during that visit on the signing of new accords with Bulgaria, including its association with the EC. He said that the EC Commission will take all necessary steps to provide Bulgaria with humanitarian aid, to speed up PHARE Program deliveries and to allocate funds from next year's budget in advance crediting the supply of goods which Bulgaria will choose.

President Zhelev Concludes Official Japan Visit

AU1511192690 Sofia BTA in English 1858 GMT 15 Nov 90

[Text] Tokyo, 15 Nov (BTA)—Dr. Zhelyu Zhelev, president of Bulgaria, completed the five-day visit which he paid to Japan in connection with the coronation of His Imperial Majesty Akihito, Emperor of Japan. Today he held another series of formal and working meetings.

He conferred with Mr. Taro Nakayama, minister of foreign affairs, who, according to the spokesman for the president showed a pronounced interest in Bulgaria's economic problems and the measures planned for their solution. The Japanese minister confirmed his country's readiness to help the recovery of the Bulgarian economy and its marketization through the international organizations of which Japan is a member.

The Bulgarian president also met with Mr. Yoshihiko Tsuchiya, speaker of the House of Councillors (the upper house) of the Japanese Diet, and with Mr. Shinya Totsuka, chairman of the Diet Committee on Environmental Protection, with whom he discussed the progress of democratization in Bulgaria and the opportunities for wider bilateral parliamentary contacts. Later in the day Dr. Zhelyu Zhelev met with the crown prince of Japan, His Imperial Highness Prince Naruhito Hironomiya, whom he formally invited to visit Bulgaria.

The Bulgarian president talked with Prof. Tenshu Koyama, director of the Japanese Museum of Calligraphy and with Mr. Ryoichi Sasakawa, president of the major private Sasakawa Foundation, who announced a donation of one million dollars for the St. Kliment Okhridski University of Sofia.

Today Dr. Zhelyu Zhelev gave an interview to the Japanese economic daily the "NIHON KEIZAI SHIMBUN", most of which was devoted to the economic problems of Bulgaria, to the ways of their solving and to the opportunities to attract Japanese investment and to extend bilateral economic cooperation.

In his interview the president said, among other things, that Bulgaria does not plan to hold early general elections. With the current economic crisis and the high-running social and political tensions, elections could not be conducted normally, he said, indicating that they could lead to violence and other undesirable consequences.

New Ambassador to United States Outlines Goals

AU1611090590 Sofia OTECHESTVEN VESTNIK in Bulgarian 13 Nov 90 p 2

[Interview with Ambassador to the United States Ognyan Pishev by Georgi Miloshev; place and date not given: "New Bulgarian Ambassador in United States"; first paragraph is OTECHESTVEN VESTNIK introduction]

[Excerpts] Ognyan Pishev, 39, thinks that he is a specialist in economics, rather than diplomacy. He is a graduate of the Moscow Institute of International Relations, and prefers scientific activities. ("I did not want to become a clerk, but now I have no choice!") He has already been married for 16 years. His wife is a candidate of economy. They have a son, 14, and a daughter, seven.

[Miloshev] What should Bulgaria expect from its ambassador to the United States, and what is the first task he poses for himself?

[Pishev] It is necessary to work diligently for a fundamental change in the notions about our country which exist across the ocean (and not only there). It is necessary to establish contacts as soon as possible with the U.S. public, Administration, and business circles, to improve the prospects of developing relations between Bulgaria and the United States, and obtain greater support for the processes that are taking place in our country. Thus, my first task is to establish such contacts.

[Miloshev] On what do you rely?

[Pishev] I shall not play the role of the diplomat. I shall try to express myself as an economist, because I am one. It is very important to be accepted as a professional. The

circle of those in the United States who know me and my real character is quite broad. I hope that this will help me. [passage omitted]

[Miloshev] Is there something that could prevent the implementation of your tasks?

[Pishev] Yes. If the development of our economy and policy continues to be delayed, this will affect negatively both the country, and myself, as its representative. [passage omitted]

UN Agriculture Official Wants Effective Controls

AU1611082490 Sofia BTA in English 2321 GMT 15 Nov 90

[Text] Sofia, 15 Nov (BTA)—The principal defect in food control in Bulgaria is the lack of a food law. An effective system is needed for food control which would safeguard consumers' protection, to give directions and advice to the respective industry and, last but not least, to earn foreign currency by exporting high-quality food, believes Mr. Richard Dowson of the UN Food and Agriculture Organization, who arrived here to get familiar with the Bulgarian control system.

Mr. Dowson believes that private food production, with which the country is going ahead, requires the strictest control in order to ensure consumer safety.

The guest expressed his organisation's readiness to help Bulgaria draft a requisite legislation and to set up an effective system of food control.

'Some 100' Cypriot Students Demonstrate in Sofia

AU1511192790 Sofia BTA in English 1856 GMT 15 Nov 90

[Text] Sofia, 15 Nov (BTA)—Some 100 Cyprus students, chanting "Cyprus: one and indivisible" demonstrated in front of the Turkish Embassy here in connection with the seventh anniversary of the declaration of the self-proclaimed "Turkish Republic of Northern Cyprus".

In a declaration the demonstrators urge for active intervention of the UN Security Council in the settlement of the Cyprus problem, for an implementation of the resolutions adopted by the world body and of the Macarios-Denktash Accords. The declaration appeals for the convocation of an international conference on a settlement of the problem and for the restoration of the independence, the unity and the neutrality of the Cypriot state.

The resolutions which the UN Security Council voted after the Iraqi invasion of Kuwait should be adopted also with respect to the occupation of Cyprus, participants in the demonstration told the BTA.

South Korean Businessmen Arrive To Seek Partners

AU1511120690 Sofia BTA in English 0835 GMT 15 Nov 90

[Text] Sofia, 15 Nov (BTA)—A delegation of the Association of Middle-Bracket Industrialists in South Korea arrived in Sofia. According to the leader of the mission, Mr. Sun Min-hwan, the purpose of their visit is establishing closer contacts with the Bulgarian companies. The guests will have meetings at the Bulgarian Chamber of Commerce and Industry, the Union of Private Enterprise and the Union of Small and Medium-Sized Companies at which they will be familiarized with the concrete possibilities for interaction.

The Korean association unites 470 economic cooperatives which carry out wide-ranging activity: from electronics to the light industry.

Government Discusses Constitutional Draft Proposal

LD1511125290 Prague Domestic Service in Czech 1130 GMT 15 Nov 90

[Text] The most important item on the agenda of today's session of the Federal Government—which is taking place in Prague and is being chaired by Prime Minister Marian Calfa—is the draft proposal of the constitutional bill on the Czechoslovak Federation, which emerged from the joint talks among representatives of the three governments and both National Councils in Prague last Thursday. The government expressed agreement with the submitted draft and authorized the prime minister to submit the draft to republican governments and to National Councils.

The government has also adopted a stand on the draft bill on the assets of communities submitted by the Federal Assembly. This bill constitutes the assets base for a territorial self-administration, The bodies of which will emerge from the upcoming elections. The stand of the Federal Government recommends that a community own the assets which were its original assets as of 31 December 1949, and the assets which, in the course of operation by National Committee, have been created within Akce Z [by voluntary work] projects or by do-it-yourself citizens' projects, if, until now, a national committee had any claim on them.

Other assets, such as state assets, are being temporarily left in the administration of communities under the stipulation that they will be subjected to privatization bills. As the proposed bill cannot be approved on time in the Federal Assembly for it to be enforced from 1 January 1991, the government recommends that this proposal not be discussed there. The Federal Goverment will in its place submit its own government draft of this bill.

Communists Submit Bill on Large Privatization

AU1211134490 Prague CTK in English 2218 GMT 8 Nov 90

[Text] Prague Nov 8 (CTK)—Dana Dreserova, a Communist Party deputy to the Federal Assembly, told journalists here today that if a bill on expropriation of the Communist Party's property is passed the Czechoslovak Constitution will contain two articles denying each other.

She added that Constitutional Article No. 9 rules out expropriation of property without compensation while a newly proposed bill would enact it. She went on to say that communists only want to retain property which is necessary for activities of the party which has a legal basis. Party property totals some 400 million korunas according to communist deputies' estimates.

Journalists were also told that communists do not only want to raise criticisms in parliamentary debates but to submit qualified alternatives of their own. Therefore a group of party experts worked out principles of a bill on the transfer of state property to the funds of economic recovery and on conditions of its privatization. It is a proposed alternative to the bill on big privatization which was submitted to the parliament by the Federal Government yesterday. Jiri Sedlak, a communist deputy to the Federal Assembly, has summarized differences between the two proposals.

He said that communists support radical reform but they disagree with some approaches to it. He said that the government-backed bill favors unequivocally private ownership and suppresses other forms cooperative or employees' ownership etc. He said that the proposal submitted by communists is more democratic in this respect. Sedlak said that the party stance differs also in the attitude towards a body which should run the big privatization. The government-backed bill counts on a body set up by the government headed by the finance minister. Communists favor a body which would be not only responsible to but also appointed by lawmaking bodies (the republic and federal ones). The communist proposal also sets sectors and rights which should be excluded from the big privatization (mineral resources, forests, cultural monuments etc.). The government-backed bill ignores this issue, Sedlak said.

Parliament Committee Rejects Secret Service Bill

AU1211142390 Prague LIDOVA DEMOKRACIE in Czech 8 Nov 90 p 1

["cv"-signed report: "There Will Be No Czechoslovak FBI"]

[Excerpt] [Passage omitted] At their session in Prague yesterday, members of the Federal Assembly Constitutional and Legal Affairs Committees rejected the draft law on the Federal Service for the Protection of the Constitution and Democracy and the Use of Intelligence Means, which they described in parliamentary lobbies as a proposal to establish a Czechoslovak FBI. The deputies found in the wording of the draft many shortcomings which do not guarantee the democratic operation of the Federal Service and its control. Deputy V. Benda (Christian Democratic Party) drew attention to the fact that the Federal Service would have a great information gathering potential but the control of the use of this information would not be sufficiently guaranteed.

Muller Cited on Intelligence Service Restrictions

AU1411155590 Prague LIDOVE NOVINY in Czech 10 Nov 90 p 2

[CTK report: "How To Protect the Constitution"]

[Text] Prague—We are very satisfied with the discussion about the draft law on the Federal Service for the Protection of the Constitution in parliamentary committees because no deputy cast doubt on the fundamental idea of the law—the division of the concentration of power and the separation of the Federal Service from the

Ministry of the Interior—stressed Jiri Muller, Director of the Office for the Protection of the Constitution and Democracy in his interview with a CTK reporter.

He said that the mechanism of appointing the director, the parliamentary control, the utilization of intelligence-gathering equipment, and the definition of the limits between the intelligence service and executive power were key issues. On the subject of the somewhat stormy discussion about the division of power in the Defense and Security Affairs Committee, Jiri Muller said that this was exactly the subject which must be discussed and that only experience would tell us which theory was right. He expressed his concern that intelligence service, deprived of all police powers, might be paralyzed by international crime in the future.

He stressed that the office proposed to enact only limited powers for its members—identity checks, seizure of goods, and the search of persons. He rejected the authority to conduct interrogations and to conduct home searchs and other powers that the former State Security had. He drew attention to the fact that it was important for the Federal Intelligence Service to establish international relations. On the subject of the utilization of intelligence-gathering equipment, he said that such utilization would interfere with personal rights of citizens. This is why this utilization must be firmly anchored in law and supervised. He said that he was in favor of concentrating such equipment in one place. If there were more subjects who could use intelligence-gathering equipment then the supervision would be very difficult.

Jiri Muller has repeatedly pointed to the need of passing a law on intelligence service so that its members could be sure that their actions are within legal limits. He also said that foreign intelligence services were active on our territory and that it was necessary to find information about them. The same thing applies to international terroristic and narcotic gangs because the more time we would give them now the more difficult it would be to paralyze them later.

Reversal in Social Democratic Party Detected

AU1211112390 Prague LIDOVE NOVINY in Czech 7 Nov 90 p 3

["em"-signed report: "About-Face in LIDOVY DUM"]

[Text] Prague—Courting between the Czechoslovak Social Democracy [CSSD] and Revival, the club of former reform communists, has started and the wedding is planned for the 25th CSSD Congress in March 1991—that is the resume of the CSSD's news conference held in LIDOVY DUM [People's House, the CSSD headquarters] yesterday. The CSSD, which before the elections rejected any cooperation with former communists, now wants to become the integrating element of the democratic left. Revival Chairman Milos Hajek revealed that cooperation [between the two groups] has been contemplated since June. Revival today rejects the reform communist label because it has parted ways with communism, embraces the idea of nondiscredited democratic socialism, and, together with the CSSD, puts emphasis on the social aspect of the economic reform. In the opinion of Revival, the Civic Forum [to which Revival nominally still belongs] has stopped implementing its original mission and should therefore change its name.

CSSD Chairman J. Horak is now waging a struggle for the party's former property, which is valued at 1.3 billion korunas. According to Deputy Prime Minister P. Rychetsky, this nationalized property will be returned to the people of Czechoslovakia and not to the party as such. J. Horak protested against this decision and said that he would involve the 80 countries of the Socialist International in the protest action. He also spoke about the CSSD's negative standpoint on the questioning of the legality of the Sudeten Germans' repatriation [after World War II].

Under the surface of apparent unity which the news conference strove to present, a number of currents are rife within the party. Some party members oppose the integration with Revival, which is not a promising trend, considering the need to integrate the left. Another part of party members has sobered up from being enraptured by a man who knows the world and views the election of an exile chairman [reference to CSSD Chairman Jiri Horak, who spent the last 40 years abroad] as an impediment to the party's becoming established on the domestic scene. A certain shift [in the party's policy] is indicated by the recalling of J. Paroubek from the post of CSSD central secretary. According to some party members, Paroubek concentrated more on politicking and fruitless cooperation with some smaller parties than on the formation of a truly constructive opposition.

'Right Center' Association Set Up in Parliament

AU1411103190 Prague LIDOVA DEMOKRACIE in Czech 10 Nov 90 p 1

[Statement from the Association of Deputies of the Right Center]

[Text] The Association of Deputies of the Right Center [Sdruzeni Poslancu Praveho Stredu] is an open community of deputies of political parties and movements represented in legislative bodies, as well as independent deputies represented in those bodies, who recognize democracy and its institutions as the sole realm of political activity and dissociate themselves from Marxism and socialism. The aim of the association is to conduct consultations on open basic problems, to jointly search for solutions to these problems, and to politically enforce and implement these solutions on the basis of mutual agreement.

Participation in the Association of Deputies of the Right Center is based on identical or close positions on the majority of the political problems and questions of the newly formed society.

Joint and free agreement is filled, above all, by efforts at:

1. Cooperation in legislative bodies aimed at the full assertion of their irreplaceable role in the democratic society;

2. A new arrangement of the federation, which we understand as a combination of guarantees of human rights and civil liberties, the foundation of the security of both its nations and all its ethnic minorities, and the most suitable state form for the return to Europe. This constitutional arrangement must also provide for the real and for both parts acceptable possibility of seceding from the federation;

3. A radical transformation of the existing centralized administrative system in the direction of the widest possible autonomy of communities and respect for historically formed territorial entities;

4. Joint support for the submitted blueprint of the economic reform, with emphasis on the reform's depth and speed and on the liquidation of the state monopoly not only in the national economy but in all other walks of life as well. We regard the expeditious implementation of the economic reform as a prerequisite for the establishment of a social market economy.

The Association of Deputies of the Right Center realizes the danger of the restoration of left wing or other undemocratic systems in our country. It invites democratic political parties and movements and civic initiatives for close cooperation in the defense of the nascent freedom and democracy in our country.

Deputies of the following parties and movements:
Czechoslovak People's Party
Christian Democratic Movement
Christian Democratic Party
Movement for Self-Governing Democracy—Society for Moravia and Silesia
Hungarian Christian Democratic Movement
Liberal Democratic Party

[Bratislava NARODNA OBRODA in Slovak on 10 November on page 2 carries a 100-word unattributed report on the Association of Deputies of the Right Center, which mentions that the group was established on Thursday, 8 November]

Trade Unions Upset Over Agreement Violation

AU1211113390 Prague PRACE in Czech 6 Nov 90 pp 1,2

[Ivan Cervenka report: "A Dirty Trick Instead of an Agreement"]

[Text] In its session on Thursday [1 November], the Federal Government approved two bills of fundamental importance for the trade unions—the bill on collective bargaining and collective contracts, and the draft of the so-called small amendment to the Labor Code. In the latter, it decided to leave out a significant part of the original text, although the government's representatives during the preceding discussions in the Council of the Economic and Social Consensus never voiced any comments. Can one then depend on negotiation as a road to settling controversial issues? Given these conditions, what are the prospects for a general consensus between the government and trade unions? These are questions which the representatives of the Czech and Slovak Confederation of Trade Unions [CSKOS] necessarily must raise at this time.

A negotiation that results in an agreement acceptable to both sides is more beneficial to everybody than confrontation and social unrest. Following the example of civilized countries, our trade-union leaders let themselves be guided by this principle. They confirmed it recently when the trade unions more often suppressed than supported the numerous spontaneous strikes. It was for this reasonable approach that the tripartite bodies were established of the governments, employers, and employees (represented by the trade unions), and specifically on the federal level the Council of the Economic and Social Consensus.

The trade unionist have demonstrated their goodwill by a number of concessions. They agreed, among other things, to the inclusion in the bill on collective bargaining of the possibility of lay-offs, in other words, the right of the employers to close the plant and send people home if negotiations fail. Such a possibility is embodied in the legal code of only four European countries and is used mostly in Africa and in banana republics. Yet, the trade unions representatives agreed to it—of course, with a precise description of conditions under which it can be applied, and with a proviso that the employer will pay 50 percent of regular wages.

Keeping in mind that the purpose of the legal changes is to eliminate anything which could interfere with the economic reform, the trade unionists gave up even many right guaranteed to them by Law 37/1954. (Not all, however, the protection of trade union officials, for instance, remains.)

Only in one point did unsolved controversies prevail. The Federal Government insisted on the limited possibilities of collective bargaining by budgetary and contributory organizations (these are, for instance, hospitals and schools), where a danger would arise of unacceptable pressure on the state budget. The trade unionists argued that such a limitation (the outcome of which are lower wages) is offset in the West by benefits, for which we can only hope in Czechoslovakia, for example that the employment cannot be terminated (tenure) and other benefits.

Such a controversial point, however, cannot cast any doubt on the principle of a dialogue. After all, it is up to the deputies when they approve these things to lean toward one or the other side. The CSKOS representatives swallowed yet another bitter pill when the transformation bill (so-called large privatization) was not even

discussed in the Council of the Economic and Social Consensus. On Thursday [1 November], however, something much worse happened. The Federal Government (according to the information of the CSKOS representatives, on Minister Klaus' instigation) crossed out of the draft amendment to the Labor Code an entire passage concerned with the participation of the workers in the management and development of the organizations, reasoning that it is a relic of the bolshevik past. It is true that the formulation could remind one of the unpropitious heritage of the double role of the trade unions but in reality it deals with the possibility for the employees to comment through their trade-union representatives on the future of their company. Even the International Labor Organization recommended several times in its resolutions that bodies for consultation and cooperation of employers and employees be formed. Their existence can also be considered a divider between the current trend in the developed countries and the capitalism of the end of last century.

Still more significant than the content of the suddenly omitted article of the bill is the fact that the government decided on this step without any previous discussion with the trade unionists and thereby violated the statutes of the Council of the Economic and Social Consensus, according to which all agreements (approved only by all three parties) are binding on all participants. This fact is not effected by the government so far appointing only five representatives to its seven seats on the Council of whom only three were present at its last meeting. After all, an expressed opinion of a single minister could have changed everything.

The bill is not yet law. Its definitive formulation will be decided by the Federal Assembly deputies. Some of them were present at the meeting of the Council of the Economic and Social Consensus and therefore they know that the government did not come forward with its opinion at the time it could have done so. In addition, the CSKOS intends to accept the offer by Federal Assembly Chairman Alexander Dubcek for its representatives to take part in the meetings of the parliamentary committees.

Even if the deputies change the bill, one great question, or rather an exclamation, will remain. The discussion of the general agreement between the government, employers, and trade unions is getting close. It concerns a document which should set firmly such binding limits as minimum wages, sustenance minimum, and the consumer basket standard. If, however, the government considers the outcome of the discussion as binding as this time, the entire bargaining will have the significance of a pub-table debate.

When CSKOS President Roman Kovac recently asked the general secretary of the International Confederation of Free Trade Unions what to do if one of the parties violates the tripartite agreements, he did not get an answer. Mr. Vanderveken expressed sincere surprise at the idea that such a situation could arise. It is here already.

Yesterday, at an extraordinary meeting, the CSKOS General Council Presidium adopted a statement on the arising situation. We will publish the text tomorrow.

RUDE PRAVO Claims To Be 'Left-Wing Paper'

AU1211094990

[Editorial Report] The 6 November issue of Prague RUDE PRAVO in Czech is published with a new subtitle, which describes RUDE PRAVO as a "left-wing paper." Until 5 November, RUDE PRAVO had appeared with the subtitle "newspaper of the Communist Party of Czechoslovakia [CPCZ]." On the same day, on page 1, RUDE PRAVO publishes a 400-word statement by the RUDE PRAVO editorial staff, entitled "Left-Wing Paper," which explains the change. The statement recalls that a resolution adopted at the party's 18th congress held on 3 to 4 November described RUDE PRAVO as a "broad tribune of democratic and left-wing forces and views." The RUDE PRAVO editorial staff therefore believes that it is "more appropriate" to characterize the paper not as a CPCZ publication but as a "left-wing paper." It adds that "this does not mean that we intend to ignore the Communist Party in the newspaper's content." In concluding, the RUDE PRAVO editorial staff expresses the hope that "the CPCZ as RUDE PRAVO's publisher will understand our reasoning as a logical continuation of the basic orientation of the CPCZ's post-November [1989] development and will give its support to it."

On the same day, on page 2, RUDE PRAVO carries a 250-word statement by the RUDE PRAVO editorial office, which criticizes the delegates to the recent CPCZ Congress for having refused to approve the principle that the editor in chief of RUDE PRAVO ought to be elected by the newspaper's staff. The statement points out that the delegates' rejection of this "democratic principle" runs counter to a decision approved by the Executive Committee of the CPCZ Central Committee this January—that it is inconsistent with the organizational rules of the Communist Party of Slovakia (which provide for the election of the PRAVDA chief editor by the PRAVDA staff), and, above all, that it is "at variance with what the CPCZ proclaims in its other documents for the society at large, especially concerning the self-management of labor collectives."

Finance Minister Interviewed on Prices, Inflation

LD1411225490 Prague Television Service in Czech 1830 GMT 14 Nov 90

[Interview with Finance Minister Vaclav Klaus by indentifed announcer; place not given—live]

[Text] [Announcer] Mr. Vaclav Klaus, federal finance minister, is now in the studio. Mr. Minister, conjectures,

or rather speculations are appearing in the Republic that the price of some goods is allegedly to go up, for example from 1 December. The situation in some shops or financial institutions, for example, in the savings banks, appears to bear this out. Can you give your view on these so-called guaranteed reports.

[Klaus] Yes, what I can say is that nothing of this kind is being prepared as of 1 December. I should, in fact, say that we were preparing some changes in the price of power and heat. Although the public should be to a certain extent compensated for these changes, they were, nevertheless postponed, and thus December is not at all a date which would have been considered. Nothing is affected, whether it is gasoline or any other goods.

[Announcer] And so, there will be no price increases...

[Klaus] Well, speaking about price increases, I can voice my doubts about this expression. You see, as we are really switching to a market economy, the expression "price increases" ceases to have its basic meaning, because it means that someone is raising the prices. The state is beginning to play a far smaller role in this respect that it did in the past. But putting prices up means something else. It means that a badly behaved state puts prices up for someone else. We must, in fact, reach the level of world prices as quickly as possible and the price then will be equal to the world price multipled by the exchange rate. The result of this multiplication will be an indigenous price.

[Announcer] Alright, you have been speaking about market economy and about getting nearer to world prices. The scrapping of subsidies, however, or the devaluation of the koruna must be somehow reflected in the prices of goods, and thus consumers are also affected. How will this manifest itself in the future?

[Klaus] We said that nobody will put up prices of various imported goods. These prices will be equal to world prices multiplied by the exchange rate. We carried out the devaluation because it was absolutely necessary. Its purpose was to avoid affecting the prices, and in some cases the devaluation has led, is leading, or will lead to movements in imported goods prices. I think that consumers have already encountered the price increases of some imported goods. This will, of course, also indirectly affect another group of goods. But this is more or less a continuous process of approaching the correct price structures.

[Announcer] At the start, I spoke about the fact that conjectures of speculations about changes of prices or about price increases are appearing, but there is also speculation about the inflation rate in Czechoslovakia. Can you tell us what is the real inflation rate?

[Klaus] Yes, I can. This is not secret, I think, and the media presented it quite clearly recently. As far as I know the rate of inflation in the last 12 months, or in a year, was 7.2 percent.

[Announcer] These figures and the conjectures about these figures are appearing all the time. Can you tell us who is responsible for this or who should have the final say in the size of inflation rate in Czechoslovakia?

[Klaus] Calculating a price index is a terribly difficult task, and thus it is, indeed, impossible for the consumers to make wild guesses. For this purpose we have the state statistical service, the Federal Statistical Office. Irrespective of the doubts we may have about this price index, its basic feature is that there is no other better index. This one, which is officially calculated by the federal statistical office is undoubtedly the best we have. Irrespective of any doubts we may have about prices, this is always the case. Thus, in this case I would recommend that we trust the Federal Statistical Office. It will clearly show you the fluctuation of inflation in individual sectors; clear changes appear in this respect and we can see that the index responds very sensitively to these figures.

[Announcer] Mr. Minister, tomorrow you are going to Moscow for important talks and I wish you, and also us, much success in these talks.

[Klaus] These talks are very important. These are the talks with my Soviet counterpart Minister Pavlov, and since it is finance which is being discussed, all of us know that it is extremely important. The payments agreement with the Soviet Union; the establishment of the koruna-ruble exchange rate; the discussion on the issues of financing in future the integration actions carried out by us in the Soviet Union; and the question of great public interest—the financing or rather the resolving of the finance problem connected with the Soviet troops' stay in Czechoslovak territory—these are the four main topics that I am due to discuss there. All four will represent very important and complex talks. They will not be easy, and the result is not clear.

[Announcer] I wish you all success. Thank you for your visit to the studio and for your information.

[Klaus] Thank you.

Union Confederation on Social Security Issues

LD1311225190 Prague Television Service in Slovak 1830 GMT 13 Nov 90

[Text] The Presidium of the General Council of Czech and Slovak Confederation of Trade Unions met in Bratislava today in its 13th session to discuss social security issues under a market economy—including a minimum wage and a minimum standard of living.

Possible action on last week's Federal Government decision deleting Article 5 from the Labor Code Amendement was also on the agenda. This article concerns workers' participiation in managing and controlling enterprises' economic performance. The presidium adopted an appeal addressed to all trade union primary

organizations to take a stand on this problem. They intend to contact the president and Prime Minister Marian Calfa.

The International Confederation of Free Trade Unions, in Brussels, and the International Labor Organization, in Geneva, promised to support them.

They will convene the General Council at the end of the week to decide on a further course of action.

Students React, Note 17 Nov Anniversary

AU1511123690

[Editorial Report] Prague LIDOVE NOVINY in Czech on 14 November on page 16 publishes a 500-word letter from students of the Faculty of Philosophy of Charles University, which marks the upcoming anniversary of the November 1989 revolution. In the letter, the students express their negative attitude to the celebrations planned for 17 November, saying that "it is immoral to celebrate a massacre" and that "nothing has been definitely won and there is nothing to celebrate."

The letter says, among other things: "We have nothing against our and foreign athletes but we resent the fact that on 17 November they will be running a relay race along Narodni Trida [where students were massacred on 17 November 1989] and we are not going to be spectators to that.

"We deeply respect President Bush but we hesitate to welcome him at Wenceslas Square, having to have tickets. Demonstrations were important in November [1989] and before, when no tickets were issued. We do not think that Mr. President [Bush] is so anxious to celebrate; rather, he expects to find in Europe more evident support in his ordeal. Citizens in Wenceslas Square and state representatives should assure him once again that they support his position of principle on the occupation of Kuwait and that they will never assume an attitude of appeasement to the Iraqi dictatorship."

Former Foreign Minister Taken Into Custody

LD1311225690 Prague CTK in English 2108 GMT 13 Nov 90

[Text] Prague Nov 13 (CTK)—Bohuslav Chnoupek, Czechoslovak foreign minister from 1971 to 1988, has been taken into custody, press spokesman for the Prague Prosecutor's Office Tomas Blaha has confirmed to CTK but declined to say what the charges are.

The Prague evening paper VECERNI PRAHA reported today that Chnoupek has been in custody for a fortnight already.

The name of Chnoupek, a one-time Czechoslovak ambassador to the Soviet Union and director of Czechoslovak Radio, had been mentioned in connection with the case of Stanislav Babinsky, sentenced in 1987 to 14.5 years imprisonment on charges of unlawful enrichment. Babinsky was a local boss in Dolny Kubin, Central Slovakia, who tried to win the favours of communist officials. A list of those who received valuable paintings and bought furniture at cheap prices from him included Chnoupek, besides many other prominent names of the Communist regime. Although the names appeared in first reports of the Babinsky case, the information was suppressed from top party quarters in 1988.

A re-trial of the Babinsky case was mentioned as a possibility at the beginning of this year. Babinsky was provisionally released on humanitarian grounds because of sickness last July 21.

Czeck Minister Hradilek Intends To Resign

LD1411180290 Prague CTK in English 1642 GMT 14 Nov 90

[Text] Prague Nov 14 (CTK)—Tomas Hradilek announced today at a meeting of the Czech Government that he will request the presidium of the Czech parliament to relieve him of his functions as Czech interior minister.

Czech Prime Minister Petr Pithart explained at a press conference that Hradilek's resignation was not connected with any concrete event. Hradilek himself stated that he was not capable enough for the position.

Czech View of Jurisdiction Talks Rejected

AU1211095890 Bratislava NARODNA OBRODA in Slovak 7 Nov 90 p 3

[Igor Cibula commentary: "Slovakia Through the Looking Glass of Prague Conditions"]

[Text] Despite the optimistic presentation of the results of the last meeting involving the three prime ministers in Prague, uncertainty on the Czech side—or rather, dissatisfaction at the Slovak side—still prevails. LIDOVE NOVINY has again been picking on Prime Minister Vladimir Meciar and the critics have not even spared Jan Carnogursky as chairman of the Christian Democratic Movement [KDH]. They are in want of a politician who would "reject the philosophy of Trencianske Teplice as false."

Without oversimplifying the situation, it is possible to state that similar opinions are considerably widespread in the Czech political environment and that they reflect mistrust in Slovak representatives. The daily quoted above also published the view that "Vladimir Meciar—as opposed to the Slovak National Party or the KDH—has acknowledged the joint state; however, in practice he is 'loosening' federal ties at an unexpected pace." In fact, Prague federalists do not believe in the viability of the Czechoslovak Federation because they are constantly proclaiming the necessity of institutionalized guarantees for its preservation. The vanquished historical stereotype prevents them from understanding the philosophy of Trencianske Teplice, where it was agreed that the sovereignty of the Czechoslovak Federation will be

drawn from the fundamental sovereignty of the national republics. Strong national governments will not be to the detriment of the federal administration's authority since it will operate in harmony with the republics' interests. The doubts expressed by the Czech side in this regard perhaps result from the fact that it underestimates the integrative elements of Czechoslovak mutuality. First and foremost, it is a common economic interest—that is, the market mechanism—that should strengthen the bonds of both national republics so that the federative arrangement of the Czechoslovak state is mutually beneficial for Czechs and Slovaks.

The Slovak political environment has not accepted with complete understanding the emphasis placed on the fact that the division of jurisdiction between the federal center and the national governments was negotiated at a level involving the three prime ministers. According to some people, this should be a matter for the republican governments alone—that is, for the national parliaments—which would make decisions about the jurisdiction that will be left to the Federal Government. This concept simplifies the problem too much because the federal center cannot be excluded from the process of Czech-Slovak equilibrium if we want to maintain the federation's internal stability.

The self-opinionated federalists, however, are mistaken if they concur with the view expressed by Finance Minister Vaclav Klaus that "today's Slovak policy proceeds from the endeavor to quickly define certain things for centuries to come." The nature of our future federal relationship is not, after all, only given by the prepared legal amendments, but it depends—first and foremost—on the objective needs of Czechs and Slovaks. How these will be defined will depend upon the development of the political situation not only in Slovakia, but also upon conditions in the Prague political center.

OF Supports Government on Division of Powers

LD1311235690 Prague CTK in English 2138 GMT 13 Nov 90

[Text] Prague Nov 13 (CTK)—The Council of the Civic Forum [OF] fully supports the stand of the Czechoslovak Federal Government on power-sharing, the largest political movement in the country said in a statement sent to Prime Minister Marian Calfa today.

The statement further said that the basic idea of the federative set-up—its legitimacy, integrity and internationally acknowledged existence—steps from the free will of the Czechs, Slovaks and other nationalities living on Czechoslovakia's territory to create the common state. This sovereign state thus has the direct right to proceed from the interests of the whole country in deciding on powers.

The sphere of federal powers as defined in Calfa's television address last night sets the federation's limits. If these limits wre crossed, further positive development of all parts of Czechoslvoak society and the very existence of the Czech and Slovak Federative Republic would be endangered, the statement said.

OF Releases Statement on Nov 1989 Anniversary

LD1311224190 Prague Domestic Service in Czech 1730 GMT 13 Nov 90

[Text] In a statement marking the first anniversary of the birth of Civic Forum [OF], its council emphasizes that it does not intend to turn November 1989 into a legend, for it is the spirit that united us at that time which is important. Let us proclaim this day, the statement continues, as a momento of harmony between all good and decent people. There are more of us than of the others, for otherwise evil would still rule this country. Let us not examine now who stands on the right or on the left or who stands in the middle, who is a Slovak, a Silesian, a Czech or Romany, a Hungarian or a Jew, a Moravian or a Ruthenian. Let us be at home here and let us be sovereign citizens here.

The OF Council also reminds people in its statement makring the first anniversary of its birth that those who do not wish success to us are themselves unable to reverse our direction. The only thing they are able to do is to make use of our uncertainty, intolerance, of our narrow-mindedness, our envy and our despondency and also of our contemptuousness and pride. Let us therefore return to the values which we at one time helped to create on our continent—to the values of love and tolerance, to spiritual values.

Czech Press Expresses Concern Over Anti-Semitism

AU1211095290

[Editorial Report] Prague LIDOVE NOVINY and Prague PRACE in Czech on 7 November both publish commentaries expressing concern about anti-Semitism in Slovakia. The commentaries respond to the vandalization of the Jewish cemetery in Nitra, "one of the largest and most important Jewish cemeteries in Slovakia," which unknown perpetrators stained with swastikas and anti-Semitic slogans (including "English-language inscriptions recommending the destruction of Jews") on "Reconciliation Day" (1 November).

Prague LIDOVE NOVINY in Czech on 7 November on page 1 carries a 500-word Jana Smidova commentary entitled "Just Nitra...?" Smidova believes that the vandalization of the Nitra cemetery was "timed for Reconciliation Day, apparently in reaction to the president's unveiling of a memorial plaque on the synagogue at Dolny Kubin" the week before. As Smidova observes, unlike in France where 200,000 people with President Mitterrand at their head recently protested against the vandalization of the Jewish cemetery at Carpentras, "there was no demonstration" in Nitra. She continues: "So far I have not heard a single voice of protest from other Slovak cities either, especially from Bratislava

where fascist and anti-Semitic slogans on walls are impressively multiplying, as are the applications of Jewish families for emigration to Israel."

Prague PRACE in Czech carries a 600-word Vladimir Kucera commentary entitled "Juden Raus Aus Dem (Pribina) Haus" [German for "Jews Out of the (Pribina) House"; (Pribina) was a ninth century Slav prince who resided at Nitra]. Kucera, too, puts the swastikas on the Jewish graves in Nitra into context with the "increasingly frequent appearance of fascist slogans, swastikas, and anti-Jewish slogans in the streets of Bratislava." He believes that the "anxiety of Slovak Jews is justified," in view of the Jewish experience with the independent Slovak state during World War II and because "historically, Jews have always been victims of unstable conditions, and let us not pretend that the conditions in our country are stable." Kucera stresses, however, that the phenomenon of anti-Semitism is not exclusive to Slovakia. He refers to an unspecified "small anti-Jewish test balloon launched by MLADA DEMOKRACIE," a Czechoslovak People's Party publication, and to an article in the Prague tabloid EXPRES "which used the word Jew as a negative characterization."

Moravian Coal Miners' Strike 'Very Explosive'

LD1411194690 Prague CTK in English 1740 GMT 14 Nov 90

[Text] Prague Nov 14 (CTK)—The whole of Ostrava-Karvina black coal basin in North Moravia went on strike alert today as the situation there is "very explosive," according to a statement of the miners' coordinating trade union today conveyed to CTK.

The statement said that problems are accumulating and decisions promised by the government are being constantly put off.

The trade union demands fulfillment of the promise made by Czechoslovak Prime Minister Marian Calfa and Economics Minister Vladimir Dlouhy to pay compensations to miners whose health was damaged at work, and quick discussion by the Czechoslovak Government of the demand for early retirement of the miners affected at 50 years (retirement age in Czechoslovakia is 60 years for men).

Slovak Interior Minister Queried on Resignation

AU1211095190 Prague PRACE in Czech 5 Nov 90 pp 1,2

[Interview with Anton Andras, former Slovak Republic interior minister, by Eva Bombova in Kosice on 3 November: "Ex-Minister of the Interior One Day Later"; first paragraph is PRACE introduction]

[Text] In the second half of October, the excited public followed a sharp altercation between Slovak Republic Prime Minister Vladimir Meciar and Anton Andras, interior minister in Meciar's government. The prime minister publicly referred to the minister as incompetent and asked for his resignation, so he resigned. A day later, on Saturday [3 November], ex-minister Anton Andras, who was a member of the coalition government for the Christian Democratic Movement [KDH], was welcomed and greeted with a thunderous applause by the delegates at the KDH Congress in Kosice. He explained to the delegates and to journalists how it all happened from his point of view.

[Bombova] When and how, according to you, did the Meciar-Andras affair begin?

[Andras] It is well known that Vladimir Meciar was in charge of the Ministry of Interior before me. Shortly after I replaced him in the post, I came to realize that he intended to maintain his control of and the contacts at the ministry. His "advice" soon acquired a form of directives. We differed especially in our views on dealing with the personnel issues. Upon entering the post, I kept meeting people from the time of pre-November Minister Lazar at the ministry, who were still employed here, many of them for ten to 15 years. I proceeded radically and as a result I immediately became troublesome, then disobedient, and eventually incompetent.

[Bombova] Can you explain your spa episode in Trencianske Teplice?

[Andras] The public does not know that as a result of overwork (since I entered the ministerial post I have not slept more than four hours per night), after a collapse, I was hospitalized several days. I did not go to Trencianske Teplice to take baths but to meet Prime Minister Meciar for whom I had important information. He welcomed me in Trencianske Teplice rather aggressively as is his custom. He talked with me for about ten minutes and upon the conclusion of our meeting I got my chance to visit the "spa." He stated that my information is incompetent and recommended that I resign.

[Bombova] Can you tell us what important information was involved? Namely, Prime Minister Meciar was heard claiming that you were supposed to have been at the conference of the road transport employees trade union in Bratislava because there was a strike threat.

[Andras] I informed the prime minister of what I believe were important issues regarding the protection of the state borders. As regards the Confederation of Trade Unions, my competent representatives were with the road transport employees.

[Bombova] Prime Minister Meciar repeated his claims of your incompetence several times. He did so, for instance, at the press conference in Bratislava. Why did you not put more energy in your defense?

[Andras] I know today I should have. After some contemplation, not wishing to complicate the tense internal political situation in the Slovak Republic even more and to create difficulties for the KDH in its negotiations with the coalition, I myself decided to resign.

[Bombova] What will you do now?

[Andras] I am a Slovak National Council deputy and I will dedicate myself to this profession. As minister of the interior I often had a feeling as if I were fighting an octopus. I am prepared to watch the Slovak Government's fingers. Should I see some unfairness, I will yell.

Slovak Nationalist Movement, Crisis Examined

AU1211122390 Prague HOSPODARSKE NOVINY in Czech 5 Nov 90 p 8

["(BJN)"-signed commentary: "Moric's Topsy-Turvy Effect"]

[Text] Last week's nationalist commotion in Bratislava turned attention away from the conflict between Slovak Prime Minister V. Meciar and Interior Minister A. Andras, which caused a dispute within the Slovak Government coalition. Their negotiations at the end of the week resolved the whole issue. The dispute ended according to expectations. V. Meciar (Public Against Violence movement [VPN]) asserted his will and Minister A. Andras (Christian Democratic Movement [KDH]) resigned. A new minister has not yet been appointed and the department, which has been reserved for the KDH, will be supervised for one more week by Slovak First Deputy Prime Minister J. Carnogursky.

In order to accentuate his point of view—either him or me—the prime minister underlined his decision by formally resigning from his post. The Slovak National Council Presidium quickly rejected his resignation. V. Meciar is well aware of his important position in Slovakia. He has maintained this position in the eyes of the Slovak public mainly by his emphatic approach toward the division of republican and federal jurisdiction. If it is difficult to gratify everyone everywhere in politics, in Slovakia—which is, moreover, differentiated by concessionary and local approaches—this is doubly impossible. It is also necessary to perceive the differences between the nationally patriotic and nationalistic sectors of society. The latter, burdened not only by typical chauvinism and intolerance toward any other point of view, would like Meciar to unflinchingly proceed against Prague like a strike force, but in Slovakia itself they would like him to be a good daddy who is willing to kiss anyone's sore spots better as long as they are a "patriot and a home-loving Slovak."

V. Meciar, however, is a man of this century and, moreover, he does not suffer from political schizophrenia. Therefore, without pardon he has unequivocally stepped into line with the main political protagonists of Bratislava's restless streets—the tandem of Moric-Markus. The breathless activity of the former does not lack the typical signs of personally motivated extremist adventurism which arouses not only passions, but also base instincts. The latter's irresponsible, political flirting with the crowd is reminiscent of an amateur violin concert which, of course, to a professional sounds out of tune. The Slovak prime minister did not even hesitate to publicly point out to the aimless leadership of such an honorable institution as the Matica Slovenska [Slovak Heritage Foundation] that he does not know of any state in the world that supports an organization working against it.

It is beyond doubt that the Meciar-Andras or VPN-KDH dispute would end according to expectations even under normal circumstances. The nationalists' disturbances, however, taught the Slovak Government coalition that the rope which they pull together must be strong and must not only be symbolic. As happens both in life and in politics, the alarm whipped up by Moric and his supporters ended up having a topsy-turvy effect—domestic and foreign condemnation of the nationalists and separatists and success for the coalition. The conciliatory tone, which was how the surmounted government crisis was characterized at the second KDH congress in Kosice, also contributed to this.

Slovak Communists Discuss Political Situation

AU1411114690 Bratislava PRAVDA in Slovak 12 Nov 90 p 2

[Martin Krno report: "Priority to the Local Elections"]

[Text] Prievidza (from our own editor)—The Communist Party of Slovakia [CPSL] Central Committee will meet at least once every three months. The Central Committee is composed of two chambers: the 21-member Central Executive Committee and the Council of District Organization Representatives (each district will delegate one representative to the council). This system results from the CPSL Central Organs Agenda which members of the CPSL Central Committee adopted on Saturday [10 November] at their first session since the October congress. The Council of Representatives elected Jozef Orszagh from Martin as its chairman.

"Despite efforts made by individuals to orient the congress toward the party's reform and a discussion on its social and political isolation, the debate centered around partial internal party issues with emphasis being placed on the party's name and on its leaders," states, among other things, a report on the course and results of the CPSL congress in Presov. Party Chairman Peter Weiss delivered this report at the session. One of the congress' positive points is considered to be the discontinuation of the party's ostentatious and monotonous unity of views which contributed to the Communist Party of Czechoslovakia's historical defeat. The Presov congress, however, indicated that the party cannot step out of its shadow. It will take some time for the party to win over every member to the new policy clearly enshrined in the congress documents. P. Weiss stressed that district and primary organizations now have to orient themselves toward every day local policy. Today it is impossible to give in to the government's erroneous steps. The CPSL Party of the Democratic Left will submit alternatives, particularly in the economic sphere; however, it will only gain scope for its own program if communists and their supporters take an active part in the elections to local representative bodies.

Pavol Kanis, chairman of the Communist Party of Czechoslovakia [CPCZ] Federal Council, stated that like everyone else he expected that the 18th congress would make a more significant contribution toward fundamentally transforming the party. He described the general consensus about accepting the party's complete federalization, which could set an example to other political and state institutions, as the most important result of the recent supreme assembly of Czechoslovak Communists. One of the main goals the CPCZ has set itself as a state forming party is an authentic federation and mutual coexistence among the nations and ethnic minorities living in the CSFR. In connection with the draft law on expropriating CPCZ property without compensation, P. Kanis stated that this plan casts doubts upon the Czechoslovak Constitution and contradicts the legal norms of the Council of Europe which our state is striving to join. He sees a starting point in a political agreement. The CPCZ does not want to retain more property than it needs for its immediate activity.

CPSL Deputy Chairman Dusan Dorotin dealt with the international and internal political situation. The main aim of the nationalization of the party's property is to introduce uncertainty among Communists and to paralyze the activity of the CPCZ apparatus as well as its capability for action on the very threshold of expected social changes and the latent political crisis in the country. The next few months will reveal whether the CPSL-Party of the Democratic Left will continue to be wrapped up in its own affairs or whether it will be capable of adequately reacting to social events.

After a debate devoted mainly to the local elections, the CPSL Central Committee adopted a communique in which, among other things, it approved the CPSL Central Organs Agenda, a report on the course and results of the CPSL congress held in Presov on 20 and 21 October 1990, and the formation of a seven-member CPSL economic council. It set Comrades D. Dorotin and J. Siroky the task of working suggestions from the debate into organizational arrangements.

Electoral Candidates Nominated

LD1311213690 Prague CTK in English 1737 GMT 13 Nov 90

[Text] Bratislava Nov 13 (CTK)—Slovak Communist Party-Democratic Left Party representaitves told a news conference here today that the party has put up candidates for the November 23-24 local elections in 2,864, out of a total of 4,284 Slovak constituencies.

The party proposed 17,935 candidates for 38,759 local representatives, and 1,345 candidates for mayors.

Referring to the socio-economic development of Slovakia, the party representatives' views were identical with those of Slovak Prime Minister Vladimir Meciar that the economy is about to collapse. They supported his appeal that the production process be stabilized and material values begin to be created. The Slovak Communist Party regards the economic reform as inevitable but has objections to some of the proposed solutions. It has its own solutions to some questions, e.g. big privatization, the party representatives said, adding that the party wants the economic reform to be really democratic. It means, for instance, that all forms of ownership should have the same chance. The party puts emphasis on the development of collective forms of ownership through working collectives so that the state monopoly is not replaced by the private one.

Slovak District Leader Selection Process Outlined

AU1211104690 Bratislava NARODNA OBRODA in Slovak 7 Nov 90 p 2

[A. Melicharkova and K. Grosmannova report: "Apropos the Selection of District Authority Leaders"]

[Text] At its session yesterday, the Slovak Government ratified principles for selecting and approving candidates for the posts of district authority leaders. Immediately following their approval in the evening, Slovak First Deputy Prime Minister Jan Carnogursky came to a meeting with journalists. Concerning the principles, he stated that they are an attempt to introduce a system of candidate selection according to which the posts would be filled by qualified people who, at the same time, would also enjoy the greatest possible political support in their district.

Their selection will involve four so-called screenings. The first one will be a roundtable in the district. The decisive political forces will participate in it. The government has approved a limit of five percent achieved during the last parliamentary elections as a guideline for this principle. This means that political parties and movements which gained at least five percent of the vote in the June parliamentary elections should participate in the district roundtable. Chairmen of district national committees will convene the meetings in the next few days. Roundtables should be held in the districts this week. Three—or a maximum of four—candidates for the post of district authority leader will be selected at these meetings. On Monday [12 November] their names should be sent by the district national committee to the Slovak Interior Ministry which will submit the candidates to a psychoanalytical test by a selected team of experts.

The third element of the screening will involve an interview with each candidate. The interviews will be conducted by a government commission composed of representatives from several ministry departments and other institutions, for example, from Comenius University Law Faculty or the Office of the Government. This commission will propose the candidates to the government. Candidates approved by the government will also be approved at a conference involving community leaders in individual districts. A decision was made about this by the Slovak National Council in the approved law.

Christian Democrats Reportedly 'Switched Tracks'

AU1211134390 Bratislava NARODNA OBRODA in Slovak 6 Nov 90 p 3

[Igor Cibula commentary: "Toward a New Coalition?; The Christian Democratic Movement Has Switched Tracks"]

[Text] The Assembly of the Christian Democratic Movement [KDH] in Kosice [on 3 November] was held immediately after the government crisis had been overcome. The fact was accentuated at the assembly, precisely in context with the government crisis, that the KDH has not found itself on the periphery of current social events but that it wants to play the role of some sort of a buffer between two extremes. The most impassioned formulations of delegates concerned their criticism of the movement's defensive approach to current social problems. The delegates also moved the national question into the foreground as the centerpiece of the movement's political program.

The orientation of the assembly had been foreshadowed by [the KDH daily] SLOVENSKY DENNIK on Saturday [3 November] when it wrote that "the KDH simply cannot afford to miss the historic chance to position itself at the head of the continually strengthening all-national movement for the full independence and state sovereignty of Slovaks, if it does not want to end on the periphery of the present tempestuous political scene." According to KDH Chairman Jan Carnogursky, "the interests of Slovakia are primary for us and we want to achieve for Slovakia a standing in Europe at the level of independence." The Christian Democrats disagree with Slovaks who "endorse the idea of a state-forming nation in an adequate and respectable way" being branded by the mass media as nationalists and chauvinists.

Some voices at the assembly went so far as to demand that the needed qualified majority be created in the Slovak National Council that would allow the passing of a Slovak Republic constitution which would guarantee prerequisites for the state sovereignty of Slovakia and its status as a legal subject under international law. The most suitable partner for the KDH in this case would undoubtedly be the Slovak National Party, the only party represented in parliament to proclaim the formation of an independent Slovak state in its program.

If some observers have been claiming so far that KDH Chairman Jan Carnogursky was sitting on two chairs, now it is possible to justifiably contest this claim. At their assembly in Kosice the Christian Democrats switched tracks so unequivocally that it is now absolutely impossible to accuse them of two-facedness or half-heartedness. It may have been also the loss of KDH sympathizers to the Slovak National Party which forced them to adopt the strategy of gradually "pulling Slovakia out" of the Czechoslovak federation.

The Kosice assembly also confirmed that, although the government crisis in Slovakia had been overcome, tensions in the ruling coalition will continue. Some reservations of the Christian Democrats about the Public Against Violence movement are of a fundamental nature and the repetition of conflicts such as the recent dispute over the person of Anton Andras in the post of minister of interior cannot be ruled out. This is also implied by the election of the ex-minister [Andras] to the post of KDH deputy chairman.

Movement Toward Nationalist Camp Noted

AU1211123190 Bratislava SMENA in Slovak 5 Nov 90 pp 1,2

[Dusan Petrak report: "Show Me, Lord, the Right Way...."]

[Text] The headline of our report on the Second Assembly of the Christian Democratic Movement [KDH], which was held in Kosice on Saturday [3 November], has been borrowed from the Book of Psalms, Psalm No. 27. It was with this quote that KDH Central Secretary Jan Petrik opened his address. The choice of psalm was by no means coincidental. The KDH, too, is looking for its right way at present. Following the well-known Meciar-Andras conflict and its dramatic disentanglement on the eve of the assembly (about which we write in greater detail elsewhere), questions are even being asked whether it is right in the first place to walk on a common coalition footpath with the Public Against Violence movement [VPN] and the Democratic Party. Some of the ideas, comments, and proposals of the movement's members with which KDH Secretary Marian Zigo familiarized the delegates actually pull the KDH away from the VPN in the direction of the Slovak National Party [SNS]. It was suggested at the assembly, for example, that the new CSFR Constitution should enshrine the right to self-determination and the right of the republic to secede from the federation. It was said that the constitution must establish prerequisites for Slovakia's entry into Europe as a nation equal to the other nations. From this follows, I quote from the report, "that we must have our own taxation and customs system and our own bank of issue." All these are demands which also figure in the program of the SNS. And this is not all. The views of rank-and-file KDH members were vented at the assembly showing that they feel a certain bond with SNS voters. At the same time, however, they distinguish between SNS voters and the SNS leadership, with the views of a part of which they do not identify. The following point made by KDH Chairman Jan Carnogursky is significant in this respect: "We are a guarantee of freedom and democracy in Slovakia, if for no other reason than because we represent a counterbalance to some VPN politicians and journalists. In the face of the liberal and nationally lukewarm VPN, we are introducing into Slovak politics national themes on the government level."

As several speakers in the debate characterized the KDH's bearing in the coalition with the VPN and the Democratic Party as a continuous retreat, it is not difficult to glean from this that the government coalition's ship is beginning to resemble the Titanic.

The assembly assumed a clear position on the language law: "Even more important than the law itself is its implementation," the approved statement says. "Because there exists a certain distrust of the approved law and the suspicion that it insufficiently enforces the use of Slovak on the entire territory of Slovakia, we propose to the Slovak National Council Presidium the establishment of a parliamentary commission that would monitor the practical application of this law."

The greatest commotion among journalists was stirred by the approval of the KDH statutes. This was because, according to the statutes, the KDH has all the signs of a political party, yet it remains a movement. Ivan Carnogursky, member of the KDH Council, explained it to us journalists as follows: "Three-quarters of the KDH's activity have nothing in common with the work of a political party, which is why we are a movement, but as a whole we do not renounce political ambitions."

Well, this did not make us any the wiser.

A really bizarre situation occurred during the elections of the highest KDH functionaries. As some delegates proposed that the dethroned Minister of Interior Andras be "rewarded" with a high-level post in the KDH, the delegates did not hesitate to amend the freshly approved statutes by anchoring in them the post of a KDH deputy chairman. KDH Central Secretary Jan Petrik added to this a fiery recommendation: "To the next coalition talks with Mr. Meciar we are going to send Mr. Andras...."

The delegates responded with a storm of enthusiasm and the chanting of "This is it!"

Jan Carnogursky, the incumbent KDH chairman, emerged victorious from the election of the KDH chairman by secret ballot; the other contender for the post was Jan Klepac, deputy chairman of the Slovak National Council.

Society of Normal Slovaks Set Up; Appeal Issued

AU1411101890 Bratislava NARODNA OBRODA in Slovak 12 Nov 90 p 2

[Appeal issued to Slovak citizens by the Society of Normal Slovaks]

[Text] Friends, 17 November is approaching. We had hoped that this date would become the symbol of our state's new democracy. Is this really the case? Recently, we have become convinced that some of our fellow citizens are demonstrating their own version of democracy. This is being done in an intolerant and inhumane manner. Once again, many people in this country are beginning to be afraid. They are beginning to be afraid of each other. We do not believe that the majority of people are indifferent to this development. We believe that the nation's peaceful majority is capable of expressing its point of view in a civilized way.

The new Society of Normal Slovaks [normalis szlovakok tarsasaga] has been established within the framework of this peaceful majority's activity as a counterbalance to intolerance.

This society does not want to criticize ideas, but the method of asserting these ideas. Its activity has no political aims in the form of government posts or ministerial seats. It unequivocally acknowledges Slovakia, its interests, and its prospects. We warn the government, parliament, and political parties and movements that a peaceful majority does not mean a satisfied majority. Everyone who is capable of making constructive criticism and who also desires a considerate and nonviolent Slovakia may become a member of our society.

We appeal to individuals, working and special interest groups, members of political parties and movements, and all people of good will. We appeal to all those who want to experience a peaceful 17 November and the approaching festival of love, joy, and peace—Christmas.

Society of Normal Slovaks,
4 Safarik Square, 811 02 Bratislava.

Report on 6 Nov Slovak Government Session

AU1211101890 Bratislava NARODNA OBRODA in Slovak 7 Nov 90 p 2

["(N.O.)"-signed report: "From the Communique on the Slovak Republic Government Session"]

[Text] Bratislava—The government of the Slovak Republic met in Bratislava yesterday. It approved the draft amendment to the Constitutional Bill on the Czechoslovak Federation, which incorporates the agreements concerning the division of the spheres of competence reached at the Monday [5 November] meeting of the prime ministers of the three governments. The draft proceeds consistently form the principle that the sovereignty of the republics is of primary importance in the federation and that the sovereignty of the federation is derived from that of the republics. The scope of the powers of the federation is determined only by the scope of the areas and matters that the republics entrust to its jurisdiction. This concerns, in particular, questions of defense, foreign policy, a single currency, and some other spheres.

The government gave its consent to the draft law of the Federal Assembly on foreign trade relations, under the condition that the objections of principle specified in the Standpoint of the Legislative Council of the Slovak Republic Government will be fully considered when finalizing the draft.

It approved the amended draft law of the Federal Assembly on the Federal Service for the Protection of the Constitutional Order and the Use of Intelligence Means.

It projected into this draft comments, the aim of which is to allow republican bodies, particularly the national councils and the governments of the republics, to exert a greater influence on the orientation, organization, and control of the activity of this service.

It approved with comments the draft law of the Slovak National Council on the jurisdiction of Slovak Republic bodies regarding the transfer of some state-owned assets to other legal or physical persons. This new draft has been modified to conform with the law on the so-called small privatization which the Federal Assembly passed on 26 October. Some originally considered provisions, such as the preferment of current employees of businesses that will be auctioned off, have been deleted from the draft.

The government also approved, with some modifications, the draft law of the Slovak National Council on state administration of the social security system.

It approved principles for selecting and approving candidates for the post of district authority chiefs [prednosta okresneho uradu]. It approved a draft amendment to the Slovak National Council law on misdemeanors.

After discussing the draft concept of the judicial system, it assigned to the minister of justice the task of speeding up the work on a new system of judicial bodies. Among other things, it stressed the need to deal with the organizational arrangement of the system of commercial and administrative courts and with the content of their work.

It approved the principles of state policy in the field of research and development in the Slovak Republic. It acknowledged a report on the demands of churches and religious communities for financial means next year, on the understanding that their justified needs will be considered in drawing up the draft state budget of the Slovak Republic for 1991.

It appointed Engineer Lubomir Dolgos to the post of chairman of the Slovak Anti-Monopoly Office. It recalled Ivan Masar, M.D., candidate of sciences, from the post of chief health officer of the Slovak Republic in connection with his retirement and appointed Margareta Sulcova, M.D., to this post.

The Slovak Republic Government also discussed some other issues.

Commission To Monitor Language Law Application

AU1211144190 Bratislava NARODNA OBRODA in Slovak 8 Nov 90 p 1

["NO, CTK"-signed report: "On the Draft Constitution; From a Session of the Slovak National Council Presidium"]

[Text] Bratislava— At its meeting yesterday, the Slovak National Council Presidium discussed some principles of the draft constitution of the Slovak Republic. They were introduced by Karol Plank, chairman of the Supreme Court of the Slovak Republic.

The Slovak National Council Presidium approved the establishment of a parliamentary commission to monitor the application of the Slovak National Council Law on the Official Language in the Slovak Republic. The work of this commission will be coordinated by the Slovak National Council Committee for Minorities, Ethnic Groups, and Human Rights.

The Slovak National Council Presidium also approved the establishment of a parliamentary commission to investigate the events of 25 and 26 October 1990 before the Slovak National Council building. It charged the Slovak National Council Defense and Security Affairs Committee with coordinating the activity of this commission. The eighth meeting of the Slovak National Council will be held on 15 November 1990.

Slovak Information Head on Media, Current Issues

LD1411202190 Bratislava Domestic Service in Slovak 1100 GMT 14 Nov 90

[Interview with Jan Carnogursky, chairman of Slovak Government Council for Information Policy and Media and first deputy prime minister of Slovakia, by Alicia Bielikova; place and date not given—recorded]

[Excerpts] [Bielikova] In his TV address, when explaining the federal government's position on the division of power between the federation and the republics, Prime Minister Calfa said among other things that the state must inevitably have federal broadcasting, that is both on television and radio. What is the opinion of the government council and your personal one?

[Carnogursky] First I would like to say that when I was talking to Marian Calfa yesterday, we also clarified his position on this issue. What he meant was news broadcasting on the radio and television, and the Federal Government demands its own news broadcasting. Neither the Slovak nor the Czech Governments want to deprive it of this right, this possibility. On the contrary, we agree that the Federal Government will take part in news broadcasting as often as it wishes.

[Bielikova] Well, I think that we would be going against ourselves if we did not broadcast on the radio about events concerning the whole state.

[Carnogursky] [passage omitted] According to the Slovak side, there should be two national radios, Czech and Slovak, and two national televisions, Czech and Slovak, and they would all have legal bindings and also be genuinely interested in having the federal bodies taking part in the news and current affairs broadcasts as often as possible.

[Bielikova] After all, if there was a federal radio and federal television, or in other words if they were controlled by the government, it might mean that we would return to a certain kind of an organization possessing power, right?

[Carnogursky] Yes, we could. Almost anywhere in the world, in fact anywhere in the world and in Western Europe, in particular, the governments do not have their own radios and televisions. These institutions are controlled by a broad spectrum and by political and cultural forces and so on. And this is the way we would also like to create the Slovak radio and television.

[Bielikova] But I think that the point is that passing this decision as soon as possible is an issue of the very existence of radio and television, because in question here are its structure, its staff and its program structure and broadcasting as much; thus we could make a start on 1 January. And so, what is your estimate, when could be this decisionmaking process finish?

[Carnogursky] The decisionmaking process should be completed by 1 January, but the legal amendment proceeding from the decision, which will be adopted, will probably not materialize by 1 January.

[Bielikova] And here is another question: An interior minister should have been appointed by 11 November. This has not so far happened.

[Carnogursky] The Christian Democratic Movement put forward the names of three candidates for the post of the minister of the interior by the agreed day, which was Tuesday last week—I do not remember which date it was. And these three candidates were to be assessed by a commission, whose composition was also announced. This commission has so far interviewed two of them. The third one has not yet been interviewed because the members of the commission were engaged in the talks in Prague. But it is expected that the third candidate will be interviewed now, and afterwards a decision on a new interior minister will be adopted.

[Bielikova] Mr. Deputy Prime Minister, I will make use of the opportunity of being able to speak to you to ask you about one thing, which has been a rather sensitive issue these days, the question of those on hunger strike. A hunger strike is one of the gravest forms of protest anywhere in the world, and as far as we know parliaments, governments, and even presidents deal with this problem, even if it is only one person who is on hunger strike. Why has our government not dealt, or is not dealing, with this issue?

[Carnogursky] First, because we do not consider correct the objectives set by the hunger strikers. Second, because the government and also the Slovak National Council were very busy with the laws on division of powers. But in the end, the Slovak National Council, or rather its officials, including the chairman Frantisek Miklosko, held rather long and repeated talks with the hunger strikers and the least they could do was to explain their standpoints and listen to the standpoints of the hunger strikers. And this means that dialogue between the hunger strikers and constitutional bodies does exist.

National Party Weekly Calls for Slovak Army

AU1211142090 Prague LIDOVE NOVINY in Czech 8 Nov 90 p 2

["(ks)"-signed report: "A Single Army"]

[Text] Prague— "We still need an army. Europe needs armed forces to build a European security system. The role of national armies within the UN framework is also significant. The new Czechoslovak defense doctrine does not designate a specific enemy and stresses the defense of the entire state territory." This is how Miroslav Purkrabek, adviser to the Czechoslovak deputy defense minister, and Petr Tax, the defense ministry press attache, replied at Wednesday's [7 November] briefing at the Ministry of Defense to the question whether it really is essential for Czechoslovakia to have an army. [passage omitted]

On 20 October SLOVENSKY NAROD [Slovak Nation], the weekly of the Slovak National Party [SNS], published an article entitled "Slovaks, Do You Want To Remain Vassals?," which discusses the need to legally enshrine two armies in the CSFR. At the same time it calls for the establishment of the Association of Slovak Soldiers. The defense minister has requested the Military Prosecutor's Office to investigate whether this does not constitute a breach of law. Colonel Tax also briefed journalists on the visit by representatives of the West European Union to Czechoslovakia and their interest in our views on the political-military situation in Europe.

Slovak Finance Official Views Price Changes

LD1411223990 Bratislava Domestic Service in Slovak 1730 GMT 14 Nov 90

[Statement by Michal Olah, director of a department in the Slovak Finance Ministry, in Bratislava on 14 November—recorded]

[Summary] "As of tomorrow, a decree of the Ministry of Finance of the Czech Republic and the Ministry of Finance of the Slovak Republic will come into force that contains changes in imports and the evaluation of regulated items from 1 November of this year. It deals with the impact of the devaluation of the koruna against convertible currency to the ratio $1 to 24 korunas."

As a result of this, the wholesale prices of items needed for production will go up in the last two months of this year by 7.1 percent; of items for personal consumption by 4.5 percent; and of items for public consumption by 4.7 percent. The retail prices of imported consumer goods will rise by a total of 1.7 billion korunas by yearend. The retail price index will increase by 0.5 percent and expenditure by the population by two percent. With regard to items made in Czechoslovakia, the retail prices will depend on a surcharge on or a deduction

from the set retail price, depending on the decision of the supplier. In order to soften the impact on the price of childrenswear, clothes, and footwear, the turnover tax is reduced to 22 percent from 42 percent on clothes, 31 percent on hosiery, and 31 percent on leather shoes.

Budapest Radio Reports Bratislava Demonstration

LD1411152690 Budapest Domestic Service in Hungarian 0800 GMT 14 Nov 90

[Text] A demonstration was held outside the headquarters of the Public Against Violence movement in Bratislava. While a crowd of some 300 shouted support for the nationalist Matica Slovenska organization, they demanded an independent Slovakia and called for the departure of President Havel and the Magyars. Several people kicked the gates of the headquarters and caused damage to the building.

In the meantime a new organization was formed in the Slovak capital with the name Society of Normal Slovaks [normalis szlovakok tarsasaga]. Its members wish to take a stand against the spread of political methods that use violence and incite fear.

Hungarian Irredentism in Slovakia Attacked

AU1211092190 Bratislava VEREJNOST in Slovak 31 Oct 90 p 3

[Michal Galat article: "Condition: Knowledge of Hungarian; Who Is Provoking National Intolerance in Southern Slovakia?"]

[Text] In the last couple of days some mass media have observed growing national intolerance in some districts of southern and southeastern Slovakia. At the same time, the public is not provided with basic information about the scale and intensity and, above all, the originators and sources of these nationality frictions. Let us therefore try to give an answer to these questions.

In June 1990, 70 years had passed since the signing of the Trianon Treaty, which confirmed in writing the present border between Hungary and the then Czechoslovak Republic. Our southern border is, however, guaranteed by other agreements as well, particularly by the Paris Treaty of 1946 and the Helsinki Final Act of 1975, under which the borders of European countries are unchangeable. The Final Act was signed by all European heads of state, except for Albania.

In defiance of these facts, this June the parliament of the Hungarian Republic marked the 70th anniversary of the Trianon Treaty with a minute of silence and described this treaty as the greatest tragedy in the history of the Hungarian nation. The question comes to mind in this context what this act of the Hungarian parliament symbolizes and what it implies. First and foremost, the "minute of silence" indirectly called in question the present border between the Hungarian Republic and the CSFR. This was to be impressed upon the minds of the Hungarian ethnic minority in our country, particularly its intelligentsia, for otherwise the act of remembrance would have been an end in itself. This means at the same time that the aim of this act was to make it clear to our Hungarian fellow citizens that they continue to inhabit their own Hungarian territory, which had only by an unfortunate coincidence become part of a different state entity.

In other words, the attitude of members of the Hungarian parliament pursued the aim of completely eliminating, or at least severely weakening, the local Hungarians' feeling of belonging to the Slovak Republic and the CSFR in general. Since everything is connected with something, there can be no doubt that the weakening of the feeling of belonging to this state is directly connected with irredentist designs.

The reader may surely ask why it is only now that we devote attention to this problem. The reply is simple. We were waiting for specific examples from practical life arising from the Hungarian parliament's attitude to the Trianon Treaty. We now avail ourselves of so many examples that we are able to choose.

Let us mention in this context, for example, the recent invitations of bids in Komarno district for the posts of director of the District Institute of National Health, director of Technical Services, director of Communal Services, head of the District National Committee school department, or director of the District Pedagogical and Psychological Counseling Center. All these invitations for bids, which were published in the local press, demanded the knowledge of Hungarian. We also know about a resolution passed by the Local National Committee at Dolny Peter demanding that the local dentist and the district physician be transferred because they do not speak Hungarian. The anger of the Slovak population has also been aroused by the reaction to the demand that a class with Slovak as the language of tuition be set up at the Secondary Agricultural School at Komarno-Hadovce. Because Hungarian is the sole language of tuition at this school, Slovak students from the area were forced to study this profession elsewhere; this gave rise to the demand that a Slovak class be established. And what was the reaction of the Association of Hungarian Pedagogues to this demand? One of its resolutions states: "We regard as unacceptable the establishment of a Slovak class at the Secondary Agricultural School at Komarno-Hadovce."

The aforesaid examples furnish evidence of administrative measures, on the basis of which the Slovak population is forced to either leave the southern part of Slovakia or to learn Hungarian to be able to hold out in this environment. The aim in both cases remains the same—the creation of an ethnically pure south. The math involved here is simple—when a Slovak leaves, there will be more Hungarians in the south. And when the Slovak learns Hungarian, he will not be felt, the spirit of Slovakness will disappear from this region, and an ethnically pure region will be achieved once again. From here there is only one small step toward the demand for

autonomy and, subsequently, for the constitution of a third federal unit—and what will be the ultimate demand....?

It needs to be stressed, however, that it is by no means the Hungarian ethnic minority as a whole, which lives in harmony with the Slovak population, from which such mathematical calculations originate. Rather, they originate from parts of the Hungarian intelligentsia, from among writers and journalists, some national committee officials, and from employees of schools and various organizations and institutions as well. These people have placed themselves in the service of the Hungarian irredenta, which is supported by some mass media in the Hungarian Republic, particularly by the "Panorama" television program, which pursues a clear anti-Slovak line.

Many citizens of our country erroneously assume that this problem can be resolved by the enactment of Slovak as the official and state language on the territory of Slovakia without exception. The opposite is the case. The legal enactment of the Slovak language without exception would only add fuel to the flames in southern Slovakia. The nature of the problem there is such that no language law in itself will resolve it. There must, of course, be an official language in Slovakia. The efficiency of this law can, however, be guaranteed only in interaction with other laws, the observance of which has not been controlled by anyone, especially of late! The bilingual names of towns and villages, which are a common phenomenon in southern Slovakia; invitations to apply for jobs demanding the knowledge of Hungarian; the playing of the Hungarian national anthem at the secondary vocational engineering school at Komarno on the occasion of the opening of a new school year; demands that physicians be transferred because they do not know Hungarian...—all these instances bear witness to systematic violation of the laws of this state even before the language law had been adopted. At the same time they bear out that the Hungarian irredenta, which has a chronologically well-thought-out program, has come back to life again. The question must therefore be asked: On what legal basis have towns and villages received bilingual or purely "Hungarian" names when the Slovak Terminological Commission operating under the Slovak Republic Ministry of Interior has not even been notified? (The case Tornala had also been manipulated.) [reference to the recent renaming of the town of "Sturovo" to "Tornala" on the basis of a referendum among the town's predominantly Hungarian-speaking residents] On what legal basis does a legal subject, in fact, demand the knowledge of Hungarian when putting jobs out to tender? This is not a matter concerning the language law but the prosecutor's office, which must finally react to such violations of legal norms. If it does not, the "minutes of silence" devoted in the Hungarian parliament to the signing of the Trianon Treaty could otherwise meet with an even greater response and be given a more specific dangerous content.

Slovak Minister on 'Open Issues' at USSR Talks

AU1211145890 Bratislava NARODNA OBRODA in Slovak 8 Nov 90 p 13

[Excerpt from an interview with Engineer Jan Holcik, industry minister of the Slovak Republic, by CAS, daily of the Democratic Party; place and date not given: "Slovak Minister of Industry on Oil Deliveries: Oil Still a 'Powder Keg'?"—reprinted from CAS Issue No. 259]

[Text] [CAS] What has changed since your last visit [to the Soviet Union]?

[Holcik] Although less than one month has passed since then, a significant reinforcement of the center has occurred in this time, with President Gorbachev apportioning some strategic raw materials into the exclusive administration of the central Soviet Government and eliminating, in fact, the right to conclude business deals at a lower level. Our agreements concluded recently with the Tyumen Oblast, however, remain valid. In the first round of talks, Prime Minister Ryzhkov offered us 5.5 million tonnes of crude oil as the entire quota for the year 1991, all of which was to be paid for in freely convertible currencies. This was an unacceptable situation for us because we would not be able to secure the remaining amount (our minimum need is 13 million tonnes). As is known, the maximum [annual] capacity of the Adria pipeline is only 4 million tonnes.

[CAS] But there are also other questions that remain open, are there not?

[Holcik] They concern mainly the more than 5,000 objects which the Soviet Army built in 164 garrisons and towns in our country. Prime Minister Calfa argued on behalf of our side that these buildings had been put up without a building permit from Czechoslovak authorities and that, moreover, they do not conform with Czechoslovak norms. The Soviet side argued that it must be borne in mind that housing for more than 320,000 Soviet citizens who are returning from East European countries and for whom the Soviets do not have any accommodation is at issue. The Soviets demand from us wooden houses worth 50 million rubles.

[CAS] What about the future?

[Holcik] We are working on accelerating the construction of the Schwechat-Slovnaft oil pipeline! It is a section which is 60 km long and I am confident that we will manage to complete it in time. Our long-term goal is for crude oil to be purchased by enterprises rather than by the state.

Finance Minister To Visit USSR 15-16 Nov

LD1411194790 Prague CTK in English 1742 GMT 14 Nov 90

[Text] Prague Nov 14 (CTK)—Czechoslovak Finance Minister Vaclav Klaus goes for a two-day working visit to the USSR tomorrow during which he will have talks

with his Soviet colleague Valentin Pavlov on a new payments agreement reflecting new economic terms of mutual trade as from next year.

The Czechoslovak minister's discussions will also concern conversion of the Czechoslovak Government credit and trade surplus attained this year to convertible currency and introduction in tourism of exchange rates reflecting the real state of supply and demand.

Special attention will be paid to Czechoslovakia's share in selected joint projects which have been built in the past years and financial aspects of the stay and withdrawal of Soviet troops from Czechoslovakia.

As chairman of the Civic Forum movement, Vaclav Klaus will also meet with some Soviet political leaders.

CTK Previews President Bush's 1-Day Visit

AU1411113490 Prague CTK in English 1325 GMT 12 Nov 90

[Text] Prague Nov 12 (CTK)—U.S. President George Bush and his wife will arrive in the Czechoslovak capital on Saturday November 17 at about 0900. For a one-day visit during which he will stay only in Prague. He will leave for Germany next morning.

Czechoslovak President's Foreign Policy Adviser Sasa Vondra told a news conference here today that after the arrival Bush will have talks with Czechoslovak President Vaclav Havel, Federal, Czech and Slovak Prime Ministers Marian Calfa, Petr Pithart, and Vladimir Meciar respectively, and Czech and Slovak Parliaments' Chairmen Dagmar Buresova and Frantisek Miklosko respectively.

He will deliver an important speech on foreign policies in the Czechoslovak Federal Assembly (parliament) shortly after mid-day. He will meet with Prague Archbishop and Czech Primate Frantisek Cardinal Tomasek (Czechoslovak Catholic Church head) and will address a public rally on Wenceslas Square in central Prague after 1500. In the evening he will attend a reception at Prague Castle.

Vondra said that the present level of the two countries' relations is very good and that Czechoslovakia is interested in their further promotion. In his opinion, Czechoslovak-U.S. talks will focus on bilateral ties, international situation and unfavorable impact of the external economic situation on Czechoslovakia's economy, including its oil problems.

Accompanied by the Czechoslovak president's wife Olga Havlova, the wife of the U.S. President Barbara Bush will visit a home for the mentally retarded, a school with extended English lessons and will go on a sightseeing tour in Prague.

Extensive security and organizational measures are being prepared for the upcoming visit by the U.S. President. His entourage is supposed to have 700 people.

Asked whether Bush will be accompanied, besides U.S. State Secretary James Baker, by other American politicians and economists, Sasa Vondra said the composition of the U.S. President's entourage has not yet been revealed.

He responded negatively to a question whether there was a negative response by the Slovak political representation with regard to the fact that Bush will not be visiting the Slovak Republic. He said that the President's Office informed Slovak Parliament Chairman Frantisek Miklosko that a trip to Bratislava will not be possible, due to limited time for Bush's visit, and that Slovak representatives will be invited to Prague to hold talks with the U.S. President. The U.S. State Department mentioned the same reason in this respect, Vondra said.

The two presidents will exchange notes for a trade agreement between the United States and Czechoslovakia.

Dienstbier Greets Visiting Canadian Secretary

LD1411182590 Prague CTK in English 1620 GMT 14 Nov 90

[Excerpt] Prague Nov 14 (CTK)—Canadian Secretary of State for External Affairs Joseph Clark arrived here today on a two-day official visit to Czechoslovakia.

He was met at Ruzyne airport by Deputy Prime Minister and Foreign Minister Jiri Dienstbier.

The current official visit by Canadian Secretary of State for External Affairs Charles Joseph Clark, which is taking place at the invitation of his Czechoslovak counterpart Jiri Dienstbier, is the first by a foreign minister in the history of Czechoslovak-Canadian relations. [passage omitted]

CSFR, Sudeten German Officials 'Clarify' Views

AU1211143990 Prague HOSPODARSKE NOVINY in Czech 8 Nov 90 p 8

[CTK report: "On Czech-German Relations"]

[Text] The property guarantees of the present residents of the border areas must on no account be jeopardized. Representatives of the Sudeten German Landsmannschaft and deputies to the Federal Assembly agreed on this point yesterday. The meeting clarified some views on a few questions of past, present, and future Czech-German relations. The participants agreed that mutual information must be improved on both Czechoslovak and German sides. The decision of Federal Assembly deputies to meet with their Bundestag colleagues and establish close parliamentary cooperation should contribute to this.

South Africa's Botha Comments on Havel Talks

MB1611070490 Johannesburg Domestic Service in English 0500 GMT 16 Nov 90

[Text] South African Foreign Minister Pik Botha has made another diplomatic breakthrough in Eastern Europe in talks with President Vaclev Havel of Czechoslovakia.

Earlier it was announced that South Africa and Czechoslovakia were to resume contact on a consular level.

Botha said after his meeting with President Havel that the resumption of normal relations between the two countries had been emphasized. He said that he and President Havel had agreed on basic constitutional principles and a democracy [as heard], and that they believed in the same goals and shared the same values.

Botha said although Czechoslovakia would have difficulty in adapting to a market economy, the country's government had a good chance of creating a new Czechoslovakia.

Today Botha leaves for the Romanian capital, Bucharest, on the next stage of his European tour.

Havel Receives UN, EC Officials 13 Nov

LD1311235490 Prague Domestic Service in Czech 1730 GMT 13 Nov 90

[Text] At Prague Castle today, President Vaclav Havel received Jan Martenson, deputy UN secretary general for human rights and director of the UN Geneva office. They discussed human rights, the defense of which, as Vaclav Havel stressed, was the moving force of our November revolution. The president also briefed the guest on the Charter of Human Rights and Freedoms which is being drafted and which is to become the basis for the constitutions of Czechoslovakia and of the Czech and Slovak Republics. Havel and Martenson also discussed the problem of refugees.

The president also met Laurens Brinkhorst, director of the Division For the Protection of Consumers, Environment, and Nuclear Safety of European Communities, at Prague Castle today. The guest expressed his satisfaction with cooperation between Czechoslovakia and European communities which is developing successfully in the sphere of the environment. Further possibilities for cooperation, especially in the solution of long-term problems, were discussed.

Agreement Signed With EC on Environmental Issues

LD1411085890 Prague CTK in English 0002 GMT 14 Nov 90

[Text] Prague Nov 13 (CTK)—Signature of an agreement on cooperation between Czechoslovakia and the European Community in the years 1991-1992 embracing 18 specific projects is being prepared, EC director-general for environment, consumer protection and nuclear safety Laurens Brinkhorst told newsmen here today.

The projects include disposal of dangerous wastes, a study on desulphurization of the thermal power plant Prunerov II in North Bohemia, safety of nuclear power plants, and others.

Brinkhorst, on a three-day official visit to Czechoslovakia at the invitation of the Czechoslovak Government since yesterday, highly appreciated that emphasis is placed in Czechoslovakia's economic reform on environmental protection.

He announced that the European Community is considering the possibility of Czechoslovakia's joining the European agency for the environment, now being formed.

Brinkhorst, who was received by President Vaclav Havel earlier today, will go to Slovakia tomorrow. He will inspect, inter alia, the controversial Czechoslovak-Hungarian water project on the Danube, Gabcikovo-Nagymaros. The EC official said that global European ecological views must prevail over local interests, but will offer assistance if asked. The Hungarian side wants to entirely discontinue the construction, while Czechoslovakia holds the view that if completed, the project will be less harmful than if left as it is.

Spokesman on Dismantling Missiles, Pact Summit

LD1611120390 Budapest Domestic Service in Hungarian 1100 GMT 16 Nov 90

[Gabor Bankuti report on government spokesman's briefing]

[Text] [Bankuti] Defense Minister Lajos Fur announced that, for the purpose of promoting European peace and a good relationship with our neighbors which is free of suspicion, the surface-to-surface missiles, which are also capable of carrying warheads of mass destruction and which are held by Hungarian Army units, will immediately be dismantled. The unilateral Hungarian decision will hopefully prompt other countries to take similar steps.

The government authorized Prime Minister Jozsef Antall to sign the conventional arms limitation and armed forces reduction agreement at next week's Paris summit. Replying to my question, spokesman Balazs Laszlo said that a separate meeting in Paris between Antall and Soviet President Gorbachev is not being ruled out. Presumably the date of the Warsaw Pact summit meeting, which had been postponed until later, will also be discussed at this meeting; as is known, the location will be Budapest.

Official talks with the EEC on Hungary's association with it will probably begin in January. As of 1992, our country may become an associate member of the Common Market; this means that the Common Market will gradually cut back industrial, customs, and trade restrictions at a more rapid pace, while Hungary will do so over a longer period. The EC will make certain concessions to facilitate trade in agriculture. With this, the organizational frameworks will be created for all other kinds of cooperation.

The Council of Ministers discussed the proposals of the Interest Coordinating Council, and agreed that the minimum wage should be raised from 5,600 forints to 5,800 forints [per month], to the debit of next year's pay raise. The family supplement should be increased by 100 forints in the case of children over the age of three. The National Assembly will have to decide on this; the decision on whether the measure should be valid effective 1 November or 1 December will also depend on parliament.

The government, by way of a decree, temporarily made the post office distribute newspapers. Until the new press law is adopted, others will be able to distribute newspapers with ministerial permission. Ministerial permission will also be necessary, temporarily, for the development of radio-telephone networks for private firms. The draft concession law, on the basis of which this can be realized, was also approved yesterday by the Council of Ministers. The proposal for the necessary amendment of the Civil Code was also completed. Instead of the expression: the regulations of socialist coexistence, the word honest [tisztesseg] will appear in the Civil Code. Public and private property will be equal. The state will also become a legal entity—that is, it will be possible to take legal action against it. It will be personified by the legal affairs directorate of the exchequer [kincstari joguegyi igazgatas], which will be newly created.

Defense Ministry Official on Troops for UN

AU1511130890 Budapest NEPSZAVA in Hungarian 13 Nov 90 p 3

[Interview with Defense Ministry Spokesman Gyorgy Keleti by Szerdahelyi at a news conference in the Defense Ministry in Budapest on 12 November: "The Hungarian Officers in the UN Troops Are All Right—The Gulf Troops Are Ready"; first paragraph is NEPSZAVA introduction]

[Text] We were informed by a Defense Ministry spokesman that a possible deployment of a Hungarian medical unit to the gulf continues to be on the agenda, and preparations continue in this respect.

[Keleti] The National Assembly will have to decide on this matter, but as far as I know, the government is still waiting for a request from the United Nations. Following the government session of 22 October, the government spokesman announced that the Foreign Ministry and the Defense Ministry received specific tasks during the preparations.

[Szerdahelyi] What has your ministry accomplished so far?

[Keleti] We have concluded our planning activity and, if the National Assembly so decides, we will be able to deploy the unit made up of about 50 people in a short time. The unit primarily needs medical officers, but this does not exclude the possibility of civilians also participating in the unit on a strictly voluntary basis. I would like to stress that these measures should not lead to a deterioration in the services of our domestic military officers, and we will take great care of this. According to the feedback we have received so far, this group of people can be set up without any problems, and we also received information from several civilian physicians who had already worked in that area before, saying that they are ready to leave. I think it is useless to make an issue of prestige out of this affair. The issue is that, in the event of war, our medical staff would provide great help, including the supply of the local population with medical services.

[Szerdahelyi] At the same time, Hungarian officers are already in the area, within the framework of the UN troops. What about them? Will they not come home?

[Keleti] We presently have 15 officers working in the UN troops in charge of supervising the Iraq-Iran cease-fire agreement. They are not armed, and the United Nations will naturally work out the evacuation plan needed in a

possible critical situation. It is known that the headquarters of the UN troops is in Baghdad, but according to my personal opinion, the activity and very presence of this group in the area have gained importance in the current tense situation.

[Szerdahelyi] What is the most recent news about the Hungarian officers there?

[Keleti] I can reassure everyone by saying that the Hungarians are healthy and alright, and so far, the United Nations has not evaluated the situation as critical. Thus, the withdrawal of these troops from the area is not yet on the agenda.

Antall Holds Talks With Soviet Ambassador

LD1411183990 Budapest Domestic Service in Hungarian 1700 GMT 14 Nov 90

[Text] A high-level meeting took place today with the Soviet Union. The Hungarian head of government and the Soviet ambassador in Budapest held talks on bilateral relations. Prime Minister Jozsef Antall received Ivan Aboimov in his office and had a consultative meeting with him prior to the Paris summit of the countries participating in the Helsinki process.

According to the prime minister's office, the consultations were held in the spirit of the good and correct relations existing between the two countries, including discussions on economic issues.

Economics Minister on Ties With Eastern Europe

LD1311234190 Budapest Domestic Service in Hungarian 1500 GMT 13 Nov 90

[Exchange between National Assembly Deputy Laszlo Pal and International Economic Relations Minister Bela Kadar at the 13 November National Assembly session in Budapest—live]

[Excerpts] [Pal] Esteemed Minister, it is known that the cooperation within the CEMA framework cannot continue in the same way as before. With regard to our economic relations of many decades and unchanged importance linking us to the Eastern European countries, I would like you to inform us about the following:

First, how far along are the talks regarding the radical transformation of economic and trade cooperation?

Second, what is the legal and organizational future of regional economic cooperation?

Third, what sort of effort does the Hungarian Government put forth during these international negotiations?

Fourth, are there any definite concepts or advanced negotiations about the fate of the bilateral and multilateral intergovernmental agreements, especially considering our agreements regarding energy? [passage omitted]

[Kadar] Esteemed Chairman: [passage omitted] Negotiations with the concerned countries began this spring. We have been negotiating with the Soviet Union for about a year; at these talks we resolutely represented our endeavors outlined above. Regarding the creation of a system of market-type relations, consensus was already established with our partners. We, however, have not yet managed to clarify the schedule of the transformation and the solutions to be applied yet. This is not only the question of talks, or the intention of the parties. [passage omitted]

Regarding the progress of negotiations, we are not behind, compared to the talks between our partners. The government agreement with Czechoslovakia on the transformation is ready for signing. Coordinating talks facilitating the agreement with the Soviet Union, Poland, Romania, and Bulgaria have reached their final stage. At these talks the Hungarian demands spreading across to next year have yet to be settled. It is our wish and not unfounded hope that we shall conclude the agreements in the coming weeks.

Transformation to market relations, however, will not be completed by signing these agreements. The transformation in this region, which can be measured more in years than months, still requires special attention and the defense of economic positions on behalf of the government in the future.

Thirdly, at the bilateral and multilateral negotiations with our regional partners, the need has arisen for a new regional consultative economic coordinating organization. In the new system of political and economic conditions, this organization could replace CEMA. Its main task could be to facilitate the assimilation of the members into the world economy, and, as a forum for the mutual exchange of information, to solve problems of mutual interest—for example, energy, environment protection, transportation, and communication. This, of course, would be a completely open organization, in which any member could also belong to any other integrational organization. Coordination of the various concepts regarding the new organization is expected to be finalized by the relevant ministers of the countries concerned in January. Following this, it will be submitted to the heads of governments. [passage omitted]

In the interests of protecting the safe import of basic raw materials—especially energy—the Hungarian enterprises affected, as well as our foreign trade organs operating in the Soviet Union, are carrying out continuous, intensive work. In the Soviet Union, this work, due to the rearrangement of the scope of authority, expands to the republican local organs and producing enterprises. As a result, until the end of this year, we are able to ensure the import of crude oil. We are also conducting talks with the central republican local organs to lay the foundation of the 1991 imports of the most important energy resources. [passage omitted]

Jeszenszky Views Council of Europe Membership

LD1411170990 Budapest Domestic Service in Hungarian 1100 GMT 14 Nov 90

[Text] Hungary will be a reliable and active member of the Council of Europe because it knows how important the trust is that made accession possible a week ago. This was stated by Geza Jeszenszky at the body's ministerial committee session in Strasbourg today. Foreign Minister Jeszenszky emphasized: It is in the interest of every Western European that the division of Europe should really come to an end and that there should not be poor, envious, and despairing countries in the continent's eastern hall, but countries which stand as close as possible to the West, in thinking and living standards alike.

Budapest Mayor on Controversy Over Expo '95

AU1511122890 Budapest NEPSZABADSAG in Hungarian 12 Nov 90 pp 1, 5

[Interview with Budapest Mayor Gabor Demszky by Peter Matyuc in Budapest on 10 November: "Expo '95: Full Day Debate—Demszky: We Will Not Give In to Blackmail"; first paragraph is NEPSZABADSAG introduction]

[Excerpts] To hold the World Expo or not? This was the main question at the meeting of supporters and opponents of the planned Budapest-Vienna World Expo at the new Budapest Town Hall on 10 November. The participants were invited by Budapest Mayor Gabor Demszky. [passage omitted]

[Matyuc] Did you receive an answer to your questions?

[Demszky] Actually, all my questions were centered around a single point—namely, the feasibility of co-organizing the World Expo.

[Matyuc] The questions also dealt with the data supplied by the program office—namely, whether these data were realistic. You also mentioned the report of the State Audit Office, according to which we can only count on 20 billion [currency not specified] from the foreign offers of more than 100 billion.

[Demszky] The statements made by the various experts at the meeting confirmed my suspicion that these data were only estimates, and we could well count on many times that much. This, however, is not my main question now. No matter how much the World Expo costs, if we fail to win the confidence of foreign capital and if we fail to create the minimal conditions for a real venture, the general interest will not lead to capital. In this case, the state would be forced to intervene and supply the necessary capital. Our budget burdens would increase to such an extent that this would further exacerbate the rather unstable condition of our economy. [passage omitted]

[Matyuc] According to the recent decision of the Austrian-Hungarian mixed governmental commission on the World Expo, you are to ask the international expo organization to temporarily register Hungary's participation in organizing the exhibition. This means that a final decision will have to be made in six months. This could be a sort of pressure. First, the city of Budapest will have to come up with the final positive or negative answer.

[Demszky] We are not letting ourselves be forced into an accelerated pace of unfounded decisionmaking. The city of Budapest cannot take a stand until the legal conditions are worked out. The local council will deal with the issue on 15 November. I will also submit a proposal at the meeting. We will ask the Program Office to work out alternative proposals. On the basis of the opinions of the Budget Committee of the Hungarian National Assembly, the State Audit Office, and the independent experts, I came to the conclusion that we could reach a consensus on an optimal solution, like holding the Budapest-Vienna Expo in 1996, or letting Vienna organize the Expo and Budapest organize the conferences and the cultural and sport programs. [passage omitted]

National Assembly Session Continues

Croatian Minorities Discussed

LD1311190490 Budapest Domestic Service in Hungarian 1410 GMT 13 Nov 90

[Interpellation by Vilmos Horvath, deputy of the Alliance of Free Democrats (SZDSZ), at a National Assembly session in Budapest, followed by statement by Bertalan Andrasfalvy, minister of culture and education—live; Horvath speaks in Serbo-Croatian, with passage by passage translation into Hungarian]

[Excerpt] [passage omitted] [Horvath] Esteemed Mr. Chairman, esteemed house, esteemed Mr. Minister. According to various estimates, 90,000 citizens of Croatian nationality now live in Hungary. Unfortunately, the situation of these citizens is not at all as good as many think. The previous system, which, according to current fashion is now called a soft dictatorship, conducted a nationality policy which appeared to be good to an outsider. In reality, this nationality policy was only good for the assimilation of the nationalities—at least the Croatians—and for their loss of identity. Obviously, it is difficult in the space of four months to make up for the enormous omissions which were committed over 40 years. In my opinion, however, the first steps must definitely be taken.

Esteemed Mr. Minister, I believe the first, most important step for my nationality, the Croats, would be for television—in a divergence from its practice to date—to broadcast a regular half-hour weekly program in Croatian. I am now disclosing to you the view of all the Croatian organizations in Hungary. We have come to the conclusion that, taking into account the population of Croats in Hungary, the joint past of the Hungarians and the Croats, we have the right to ask the government to ensure that we have at least a half-hour program every week in our native language. Regarding the fact that the nationality organizations do not have the material

resources that could be devoted to this purpose, I respectfully ask for the assistance of your government in the interest of realizing our objectives.

For this reason, I ask the minister whether the Ministry of Culture and Education intends to support these citizens who were considered second class for a long time, not only in words but in deeds, too. How will you carry out our aims, and do you wish to support our request materially as well? Thank you for your attention. [applause]

[National Assembly chairman] Thank you. Bertalan Andrasfalvy, minister of culture and education, will reply to the interpellation.

[Andrasfalvy] Esteemed Mr. Chairman, esteemed National Assembly, esteemed fellow deputy. The word broadcasting figured in the interpellation that was submitted in written form, and for this reason what I say will also apply to radio. A half-hour weekly broadcast was requested. Radio Pecs broadcasts a one-hour daily music program in Serbo-Croatian, as well as a daily 45-minute chronicle. Apart from this, Radio Bartok in Budapest broadcasts 30-minute Serbo-Croatian programs twice a week, on Tuesdays and Sundays. I note that these broadcasts, with the exception of Radio Bartok in Budapest—that is, the broadcasts of Radio Pecs—do not clearly reach the (Gradicse) Croatians, which amounts to some 20,000-25,000 of the 90,000-100,000 people of Croatian nationality who live near the western border. That is why for some time there was a program broadcast from Gyor in the (Gradicse) Croatian dialect, which was 20-25 minutes weekly; however, this was stopped in recent years.

The nationality editorial staff of the Pecs regional television studio has supplemented Budapest central television transmissions with a Serbo-Croatian language program, for 30 minutes monthly, to be repeated once. We note that as of 1 July 1988, the supervision of the nationality federations, along with the affairs of nationality press, radio, and television came under the office for national and ethnic minorities. We only have second-hand information on the expansion of broadcasts, but this is planned, and the expansion of this is planned for the future.

By the way, the Ministry of Culture and Education supports the request made by Deputy Vilmos Horvath in his speech for a half-hour television broadcast in Croatian, and it agrees that the maintenance of the nationalities' cultures is in the country's interest. Please accept my reply. [passage omitted]

Economic Reform Discussed

LD1311174890 Budapest Domestic Service in Hungarian 1455 GMT 13 Nov 90

[Exchange between National Assembly Deputy Laszlo Pal and Finance Minister Ferenc Rabar at the 13 November National Assembly session in Budapest, with procedural interjections by unidentified session chairman—live]

[Text] [Chairman] Laszlo Pal, of the Hungarian Socialist Party [MSZP], wishes to put a question to the prime minister entitled: On the subject of the government's radical economic program. Deputy Laszlo Pal has the floor.

[Pal] Mr. Chairman, esteemed National Assembly, I addressed the question to the prime minister. The reason for this was that I, for my part, am not entirely clear about the members of the government to whom this matter of the government's radical economic program applies. I do not know which minister will reply. In any case, I will continue by addressing the question to Minister Rabar.

At the 22 May National Assembly session, we became acquainted with the government's program outline. In October, the government released the documentation on the national renewal program and on its economic policy aspects, with which National Assembly deputies could then familiarize themselves. On both dates, we heard that the government wanted to realize, at a relatively quick but gradual pace, our economy's transformation program.

In recent weeks, however, new kinds of reports have been made by government representatives in various mass media forums about the gradual nature of the economic program. First, State Secretary Dr. Gyorgy Matolcsy briefed a West German economic delegation and a delegation from the IMF on the program for the radical transformation of the economy. This was welcomed by the delegations. I, therefore, ask for information from the government on whether such a radical economic program exists.

Second, if one exists, how and when does the government intend to submit this radical program to the National Assembly?

Third, because this program has not come before the National Assembly, how does the government foresee the National Assembly's active and constructive participation in the legislation to lay the foundations for the implementation of the radical economic program? Thank you.

[Chairman] Finance Minister Dr. Ferenc Rabar will reply on behalf of the government.

[Rabar] Yes, such a radical program exists. In September, the Finance Ministry prepared a submission for the government entitled: Government Tasks Serving the Scope for Maneuver; Implementation of the Three-Year Economic Program. This submission, based on detailed calculations, examined the possible prospects for the development of the Hungarian economy between 1991 and 1993. It listed the measures and legislative tasks that are necessary for the success of this program.

On the basis of the submission, the government adopted a resolution. The final version of this submission is being prepared; it takes account of this resolution and further specification of the calculations. This, under the title: Economic Possibilities, Government Objectives, and Tasks in the Period 1991-1993, will be placed on the agenda of the 17 November session of the government.

The government intends to familiarize parliament and the Interest Coordinating Council with this material, which presents in detail the three-year economic program. It will initiate an extensive social debate on this. The government has continuously emphasized that its objective is the economic change of the system, the formation of a liberalized market economy integrated within the world market, which entails a decisive role for private property. The government intends to achieve this through a program of well-reasoned radical measures, rather than through shock therapy or by postponing unpopular decisions.

The largest percentage of necessary measures could be taken by the end of 1990, or by the beginning of 1991. These measures include the extension of price and import liberalization, the cutback of numerous subsidies, the narrowing of decentralized funds, and the acceleration of privatization. Other measures, such as the reform of social insurance, health and education, and the transformation of the tax system, require more preparation. The new system in these areas, however, must be in place in the first half of 1991. It will become possible to introduce them in 1992. Thank you.

MSZP Official Interviewed on Party Congress

AU1511123290 Budapest MAGYAR HIRLAP in Hungarian 12 Nov 90 p 3

[Interview with Ivan Vitanyi, chairman of a committee of the Hungarian Socialist Party (MSZP), by Hajnalka Cseke in Siofok during a break at the MSZP Congress, date not given: "Social Democratic and Socialist Are Synonyms"; first paragraph is MAGYAR HIRLAP introduction] txt

[Text] Ivan Vitanyi granted our correspondent an interview during the break of the Hungarian Socialist Party's [MSZP] Congress.

[Cseke] This party congress stressed, moreso than previous congresses, that the MSZP bases itself on a social democratic ideology. Could this mean that the MSZP will take up the position of the Social Democrats in the near future?

[Vitanyi] There are parties within the Socialist International which claim to be social democratic, as well as parties which claim to be socialist, or even socialist workers' parties. In a Western European sense; therefore, there is no strict dividing line between a social democratic party and a socialist party. During the past 40 years, many communist, Bolshevik, or even Stalinist parties in Eastern Europe were called socialist. If we do not adhere to that conceptual system, however, and if we adopt the system that prevails in Western Europe, then we find that socialist and social democratic are synonyms. We stress that the MSZP is a social democratic party because we want to avoid confusion as to what we mean when we talk of socialism.

[Cseke] Do you think that it would be possible for strictly left-wing political forces—like the Hungarian Social Democratic Party [MSZDP], the Hungarian Socialist Workers' Party [MSZMP], the trade unions, and the MSZP, of course—to gather into one group, and perhaps to show a united front in the interest of certain aims?

[Vitanyi] Speaking in general terms, movements which represent great political ideologies do not always appear under one party in a given country. France, for example, has a socialist party as well as a social democratic party; furthermore, both parties belong to the Socialist International. It is not necessary for Hungary, either, to have only one socialist or social democratic party. Time will tell which party will continue to exist, and under what form. In any case, we hope that the socialist party will be one of the central elements of left-wing organizations in future. As far as relations with the MSZMP are concerned, it can be said that the two parties are linked by a common history. At the same time, we have different evaluations of the past and present. I think that cooperation is desirable and necessary on many points. Many questions will be clarified in the future; for example, we will establish the definite differences between our two parties, and we will locate the issues where we have a similar standpoint.

[Cseke] The MSZP Congress accepted Imre Pozsgay's resignation from the party without a debate: What is your opinion on that?

[Vitanyi] I have two viewpoints on this issue. Imre Pozsgay was a guiding figure for the party; therefore, his resignation is a much more serious issue than the response of our congress would lead you to believe. Some of our members still have to "digest" his resignation. After due consideration, however, I think that congress was right not to deal with this "issue" in any greater detail. Indeed, the aim of this congress was not to deal with Imre Pozsgay, but to close an era and accept our program and statutes. If Pozsgay had come to the forefront of debates, then many people could well have had a cathartic experience, but our congress would not have been able to fulfill its duties in that case. Pozsgay's resignation will definitely still cause pain to many people....

[Cseke] Zoltan Gal has temporarily been assigned the leadership of the MSZP parliamentary faction. When could a final decision be made?

[Vitanyi] The faction needs time now. Without Imre Pozsgay, the faction has to rethink its situation and role. I should think that we will return to this question in one or two weeks.

Industry Minister on Possible Reshuffle, Dismissal

AU1511132990 Budapest MAGYAR HIRLAP in Hungarian 13 Nov 90 p 1

[Interview with Industry and Trade Minister Peter Akos Bod by unidentified correspondent; place and date not given: "I Would Gladly Continue To Work...."; first paragraph is MAGYAR HIRLAP introduction]

[Text] Prime Minister Jozsef Antall announced: "In connection with other political events, a government reshuffle will take place as early as this year....". We have no precise information about the possible government changes, nor do we want to engage in speculation. We, therefore, only asked Peter Akos Bod whether he would be sorry if he had to leave his ministerial post.

[Bod] Professionally, I would definitely be sorry if such a move took place. One needs more time for the implementation of a new industrial policy whose concept has already been outlined. We are facing a professionally difficult but beautiful task of at least three years.... I would be sorry if we did not have the opportunity to carry out this task.

[MAGYAR HIRLAP] Your name emerged during the speculations because many people criticized your handling of the fuel price increase....

[Bod] I also regard my own activity critically. I know that I am making mistakes. It is a matter of individual judgment, however, to know what would have been the most correct thing to do in that difficult situation. One thing is certain: We can draw a lot of lessons from that event. Not one, but several "fuel price affairs" could emerge in the future. I have not, however, become indifferent and I have not lost interest in my work, so I would gladly continue....

[MAGYAR HIRLAP] How would you answer this question as a private citizen?

[Bod] Since August, I have been with my family for two weekends; I am 39 years old and, in my opinion, I earn a low public servant's salary. A possible dismissal would shock me at first, and I would probably feel bad for two weeks, but after that, I would feel relief because the burden and responsibility are really too heavy. I would undoubtedly find an easier job which pays better. You should not think that I wanted to be a minister by all means, or that I want to remain a minister.... I think it is a big professional challenge, however, for me to manage our industrial restructuring at a time of crisis. I consider this task to be important yet beautiful....

Improved Trade Figures Reported for Jan-Oct

LD1311205290 Budapest MTI in English 1728 GMT 13 Nov 90

[Text] Budapest, November 13 (MTI)—According to the latest figures of the Ministry of International Economic Relations, Hungary's convertible trade surplus reached 890 million USD [U.S. dollars] in the first ten months of the year as against 285 million in the same period of 1989.

Exports rose by 16 per cent of 5,130 million USD. Sales to EEC member states went up by 24 per cent. The largest increase—41 per cent—was registered in exports to the FRG.

Imports grew by only 2 per cent to 4,240 million as against 4,134 million USD in the same period of last year. The balance, however, does not include the 170 milion USD to be paid for the 518,000 tonnes of oil Hungary purchased on the Mediterranean spot market in October and November.

Hungary's rouble accounted exports dropped by 28 per cent to 4,351 million roubles in January-October, while import fell by 19 per cent to 4,552 million roubles.

The balance shows a 201 million rouble deficit as against a 438 million surplus in the same period of last year.

Walesa Political Program Points Summarized

AU1611132490 Warsaw RZECZPOSPOLITA in Polish 13 Nov 90 pp 1, 2

[Krzysztof Gottesman report: "Lech Walesa—A New Beginning"]

[Text] Lech Walesa has unveiled his election program exactly two weeks before election day. The following are the main points of the political program:

The role of the president should be to outline the political direction of the state in accordance with the wishes of the nation. During the transition phase—given that the present Sejm is not constituted by the free will of the people (this will be the situation after the presidential elections)—the president should play the role of moderator between society, parliament, and the government.

The Lech Walesa program puts great emphasis on settling accounts with the past:

—Former communist governments must be brought to full account. Wrongs must be put right and people who were persecuted must receive compensation. Individual persons can be pardoned and this can be on the basis of an act of pardon, but all vestiges of the former system must be removed from public life.

—In a politically pluralistic Polish society Walesa does not see any place for preferences or a domination of any single party or an informal group of citizens. A new constitution, adopted by a parliament that has been elected in democratic elections, should specify the political system of the country, the system of power, and the president's powers. The program of the future government—Lech Walesa sees the composition of the government reflecting the alignment of forces in parliament—must have sufficiently wide parameters in order to be implemented.

—The prime minister heads the government, but the president should have a guaranteed right to call the Council of Ministers in exceptional cases and preside over its deliberations.

—In local matters there is a need to broaden the competence of local government as well as to create a layer of local government structure above the present local commune level. Walesa considers it is essential to reorganize the country territorially into a few voivodships.

—At present, the police do not guarantee the safety of citizens. It is still suffering from its past history and the memory that it was used to repress the democratic aspirations of society. The solution is to continue with the organizational changes, the training of patriotic and professional staff, and modernize equipment.

—In Walesa's view, the Army should be a professional army, based on voluntary recruitment. The president should be the head of the Armed Forces.

According to Walesa, the free market economy has proved itself the only solution that guarantees the development of societies.

That is the reason why it is essential to continue the structural reforms towards a market economy, although the present system of reform needs a radical overhaul. This is particularly applicable to state enterprise privatization, the introduction of a new tax system, and the creation of new financial institutions which will aid the development of private enterprise.

The duty to create the legal and organizational conditions for the reform lies with central administration. Direct state intervention in the economy should be limited after the stabilization of market mechanisms. Speedy privatization and the ability of enterprises to become self-sufficient is a precondition for the success of the economic reforms. This should be implemented throughout the whole economy according to various solutions based on the principles of sale, as well as through the distribution of the national wealth. Those enterprises that were taken over by the state after the last war should be returned to their rightful Polish owners.

Walesa's program aims at splitting up the still existing—he maintains—monopolistic cartel of state banks. It will be necessary to reactivate forgotten mortgages, insurance companies, credit guarantees, pension funds, and other specialist financial institutions which develop private enterprise. Walesa wants to see a simpler procedure for foreign capital that wishes to invest in Polish enterprises. A new tax system, applicable to all, should be comprised of income tax for companies, farms, and citizens, and a tax on consumption. For the agricultural sector, Walesa proposes a market economy and the liquidation of the monopolistic structures that are active in this sector. The state should protect the Polish farmer from the effects of the West's agricultural protectionism. Temporary state subsidies should be available for certain agricultural products. The barriers against the free transferability of land must be abolished.

All the present political and military links are links that have been imposed on Poland, writes Walesa in his introduction to the section on foreign policy. They have to be scrapped. He sees the future Poland as lying between a unifying Europe and the nations now freeing themselves from the USSR.

The most important goal of Polish foreign policy is the reduction of Poland's foreign debt and repayment credibility. Walesa believes it is right to ask for a reduction of the debt burden as this is a justifiable price for the West to pay in the successful battle with communism. A long term goal for Polish foreign policy is membership in the EC. Walesa considers good relations and cooperation with Poland's neighbors, including Belorussia, the Ukraine, and Lithuania, as paramount.

In a reformed market, the market mechanism will be the main regulator of the labor market. However, before the reform bears fruit, it will be necessary to increase state

intervention in the labor market to effect transfers of labor forces and retrain workers. Before insolvent enterprises can be wound up new workplaces have to be created. Standing unemployment should only have a deterrent effect to discourage laziness at work.

The state must urgently start to rebuild the infrastructure of the health service and the welfare system. In the future, these should be decentralized and be privatized.

The great lack of homes cannot be solved overnight. The state should not be a builder of homes, but create conditions that will give every citizen a real chance of obtaining the house that he desires.

Lech Walesa concludes with the following words: "Thanks to 'Solidarity,' we defeated communism. Now comes the time to build a new Poland that will be free, democratic, and prosperous. It is essential to awake in people a general active approach to life, faith in ourselves, and assume responsibility for our fate."

Walesa Interviewed on Election Proposals

PM1511110290 Rome LA REPUBBLICA in Italian 14 Nov 90 p 17

[Interview with Solidarity Chairman Lech Walesa by Andrea Tarquini; place and date not given]

[Excerpts] Gdansk—[passage omitted] [Tarquini] The West admires Mazowiecki's reforms, but you consider them "mere correctives of socialism." Why such a harsh verdict? What specific improvements are you proposing?

[Walesa] In his plan Mazowiecki takes no account of a limitation of what he has done previously: The state dominates the economy; it is an inactive asset that produces only debts. Let us distribute these assets to the citizens as soon as possible; this will benefit the economy and each individual owner. It is not true that it will cause more unemployment: It would be true in the West, but there is plenty of work in our country. The problem is that we have not yet found how to get started, how to set people's energies moving, but my ideas offer better prospects than Mazowiecki's.

[Tarquini] The West that you want to become part of, however, praises the struggle against inflation. Do you not agree?

[Walesa] From its own viewpoint, the West is right. In your economic system combating inflation itself constitutes major progress. Here, however, where the economy is still in the state's hands combating inflation simply means taking money away from the people by force. Mazowiecki has behaved like a woman who gets money by exploiting her beauty. Metaphorically, Solidarity was a beautiful woman loved by everyone. Thanks to her and to her reputation, it seemed possible to halt inflation by taking money from people. The dream is over; we have woken up without the beautiful woman and without the money! I would like to set free the beautiful woman that Solidarity used to be. The government, however, says that that beautiful woman is no good any more, that its own policy is beautiful enough. I have major doubts about this.

[Tarquini] So where do you intend to find the capital needed for the reforms, if you accuse the government of selling off the country?

[Walesa] Look, I know of state enterprise managers, incompetents, who for kickbacks of $10,000 sign contracts entailing losses of $50 million. This only happens in a post-communist state economy. As a seasoned politician, I disagree with Mazowiecki; I want to halt this selling off of Poland. I want, first, to privatize the economy; then individual bosses will do their part, and that will be their business, not the government's. Polish politicians have failed to understand me, but in 100 years' time I would be condemned if I did not demand these things now.

[Tarquini] Your adversaries, headed by historian, journalist, and pioneering dissident Adam Michnik, say that you cannot be a democratic president, that in fact you threaten democracy. How do you answer that?

[Walesa] Michnik has always been a terrible politician, as everyone knows. He has often been wrong and is wrong again now; my victory will prove it. I made certain choices in 1980 when Solidarity was founded, a year ago with the roundtable and parliamentary elections, and again now. I am successful in almost everything. I want to rouse this society, to encourage it to debate the issues of Poland's future.

[Tarquini] Using nationalism, populism, and even anti-Semitic arguments?

[Walesa] How is this society to be roused? By exploding firecrackers? I use various, not populist, but provocative slogans. Consider people's lack of interest in politics. Were it not for Walesa and his methods, things would end up as in Hungary, where the turnout at the recent local elections was 15 percent, if that. I am sure, however, that 90 percent, or at least 80 percent, of Poles will vote in these presidential elections. Mazowiecki has sent people to sleep. We saw this in the municipal elections in July when only 4 out of 10 voters showed they were interested in choosing. I repeat: I want to rouse society and mobilize it for the sake of the reforms. Michnik refuses to recognize this and brandishes the bugbears of populism and nationalism. His assessments are simplistic and superficial.

[Tarquini] You have not answered my question: Do populism and nationalism threaten Poland—like the rest of the East—and its place in Europe, or not?

[Walesa] These feelings do exist, and unless they are controlled and directed they could lead to dangerous developments. In the hands of Michnik or Mazowiecki—who are prepared to accuse anyone who disagrees with them of exploiting such feelings—they could constitute a threat, while in my hands they will help to build

Poland. Not everyone could do this, and unless someone is capable of building Poland he should not even try to do it. If I lose, I foresee major problems for whoever beats me. Without my help, he will be unable to succeed. This may be presumptuous, but we shall see after the vote. [passage omitted]

[Tarquini] Is a compromise with your enemies possible now or in the future?

[Walesa] Compromise is always possible, even now. There are many possibilities; we shall see what the balance of forces is after the vote. It is not our plans but life that will solve the Polish political puzzle. The best solution must be chosen, and remember: I often manage to win. I even managed to choose an excellent pime minister in Mazowiecki who, moreover, now wants to become president. So let nobody doubt that I am a strong player when it comes to politics. [passage omitted]

Mazowiecki's Presidential Chances Assessed

PM1511132990 Gdansk GLOS WYBRZEZA in Polish 3-4 Nov 90 p 3

[Interview with Aleksander Hall, member of Tadeusz Mazowiecki's election campaign team, former member of the Council of Ministers for cooperation with political organizations and associations, by Tomasz Gawinski; place and date not given; editorial note states the interview was "not authorized"]

[Text] [Gawinski] Your political career began in Gdansk. Would you like to recount it for us briefly here?

[Hall] I began in the seventies, that is, at the time when the democratic opposition was forming. To begin with, I was active at a center ran by the Dominican Fathers. Later, in 1976, there were the actions to help the striking Radom and Ursus workers; then, work on the "Bratniak" publication and in the Young Poland Movement, followed by the August [1980] strikes. After that, until 1984 I was in the leadership of the clandestine Solidarity structures, and, still later, I was a member of the Primate's Council. Next, there followed participation in the roundtable talks and, finally, the offer to join Tadeusz Mazowiecki's government. In October 1990 I resigned from that post, intending to take a full and active part in the prime minister's election campaign.

[Gawinski] When did you decide to offer your support to Tadeusz Mazowiecki? You are one of the few Gdansk activists who have not opted for Lech Walesa.

[Hall] I am and will remain a Gdansk patriot. On the other hand, I believe that it is a misunderstanding to treat the election as a duel between Gdansk and Warsaw. In my opinion, out of all Polish politicians the prime minister is the best candidate to take up residence in the Belweder Palace. I have held this opinion since autumn 1989, though at that time I still believed that the presidential election would not be held until spring 1991. At the same time, I must say that my opinion was reinforced by Lech Walesa's attitude since early spring this year. Nor will I deny that I was among the people who persuaded the prime minister to put up his candidacy and run for president.

[Gawinski] How do you assess Tadeusz Mazowiecki's election campaign so far? Is it true that work in the headquarters of Mazowiecki's election team is one big improvisation, as was alleged in the latest issue of the WPROST weekly?

[Hall] Certainly the initial stage—the first days after the launching of the election—involved a lot of improvisation. However, today things are very different. This was probably because the other side had begun their preparations for the presidential campaign much earlier, whereas the prime minister made the decision to run for president relatively late. Also, an additional factor influencing the course of the campaign was the fact that the prime minister is also engaged in his other duties, and these allow him only restricted involvement in the campaign. Besides, we must not forget the prime minister's personality. All this explains why Tadeusz Mazowiecki's campaign is not run along the pattern of an American election show. I do believe, however, that it will gradually gather momentum. Our main trump card is our program. This is why I am convinced that as long as our campaign adopts the premier's election program as its strategic base, we are certain to win.

[Gawinski] Do you believe that Tadeusz Mazowiecki's decision not to appear in a television program on the day of the Feast of All Souls [2d November] was, politically speaking, correct? After all, it is claimed that a politician ought to preserve a calculating stance and never be guided by emotional reasons.

[Hall] Without a doubt there is nothing more alien to the prime minister's character than an attitude of cool calculation. He is a man who must base his participation in political processes on his ethical and moral principles and will not allow politics to distort his personality. Thus, his decision not to appear in the television program in question was a personal decision, made precisely for these reasons.

[Gawinski] What, then, in your opinion, are the main reasons why Tadeusz Mazowiecki should take up residence in the Belweder Palace?

[Hall] During my time as minister in his government I was able to observe him closely for a whole year. He is a man with all the attributes necessary to hold the office of president. I am not talking here of external representation only: I am also talking about his virtues as a head of state who will be making a variety of crucial and all to often strategically significant decisions. I believe that, as president, Tadeusz Mazowiecki would use his position well, directing the state in a responsible and competent manner and giving us a guarantee that our efforts would not be wasted.

[Gawinski] Allegedly his collaborators on the election organizers' team have advised him against paying a visit to Gdansk, arguing that he would face a certain defeat here, right in the "lion's mouth."

[Hall] I do not believe that his closest collaborators have advised him so. Looking at things from the premier's position, we do not at all consider Gdansk to be a city where he is certain to be defeated. We will fight for victory here, too.

[Gawinski] At the present stage, can you predict in what regions and in what milieus Tadeusz Mazowiecki can expect to attract the largest numbers of supporting votes?

[Hall] Yes, I can, but I would prefer not to disclose my predictions fully yet. I am convinced that each candidate will find that he is given support from all social classes and strata.

[Gawinski] If the prime minister wins, do you see yourself taking part in the work of the new government?

[Hall] I believe this question is premature. Today the most important thing is to win the presidential election. When this is achieved, everything else will follow according to the prescribed procedure: The president will appoint a new prime minister; the prime minister will form the government, and so on. As for myself, when I joined the election campaign, I never asked myself about my future official position after the election.

[Gawinski] Thank you for talking to us.

Solidarity 80 Unionists Supports Moczulski

LD1311223190 Warsaw Domestic Service in Polish 2100 GMT 13 Nov 90

[Text] Solidarity 80 will support Leszek Moczulski in the coming presidential elections. The Independent Self-Governing Trade Union Solidarity 80 National Coordination Commission adopted a resolution on this matter.

Roman Bartoszcze has also applied for the support of Solidarity 80 trade unionists. His request has not been examined so far.

Research Center Reports Survey on Election Moods

AU1611084590 Warsaw ZYCIE WARSZAWY in Polish 13 Nov 90 p 2

["B.Dr." report: "A Vision of the Country After the Elections"]

[Text] On 29 and 30 October, the Public Opinion Research Center carried out a survey on a representative sample of 1,000 people to discover what Poland would like under a new president, who will most probably be either Mazowiecki or Walesa.

Sixty-one percent of the respondents believed that the election of the new president would also lead to other major changes. Most of the respondents who held this view were intellectuals with higher education or qualified workers. Intellectuals without higher education and farmers expressed more cautious views. The most skeptical people of all were those who were self-employed.

Asked on what basis they would vote for a new president, two-thirds of the respondents said they would vote on the basis of his election program, and one-quarter said they would vote on the basis of their personal feelings toward him. The older the respondents, the greater was the tendency to be guided purely by feelings; and the higher the level of education, the greater the tendency to be guided by a rational opinion of the election program.

It is significant that those respondents who said they were guided by feelings were mostly Walesa supporters, and those who said they were guided by the election program were mostly Mazowiecki supporters.

The survey revealed that society is convinced that regardless of who wins the election, Walesa or Mazowiecki, both the positive and negative processes in the country will continue. The tasks that have been undertaken will have to be continued, the present low standard of living will remain in force, and the material situation of people may even deteriorate, to say nothing of an inevitable rise in unemployment. In addition, people expressed the conviction that whoever wins, Poland will enter Europe and the Church will have greater influence over Polish public life.

However, glaring differences of opinion emerged concerning three other questions. Forty-seven percent of the respondents said that under Walesa, the nomenklatura would be dealt with once and for all. Only six percent said that the same thing would happen under Mazowiecki. Forty-four percent expected an increase in presidential powers at the expense of the government and parliament in the event of a win by Walesa, and 10 percent expected the same thing in the event of a win by Mazowiecki. Thirty-nine percent expected an acceleration of privatization under Walesa and 14 percent expected this under Mazowiecki.

Is it possible to draw any general conclusions from this survey? Only very cautious ones. Most of all, one can see that Mazowiecki's campaign, as well as the campaigns of the others, is far tougher than Walesa's, in which emotions play a greater role than sober assessments of an election program. And the second conclusion is that regardless of the election fever, the Poles realize that their lives will not be easier just because there is a new president, and that it is necessary to continue what has already been started with a great deal of sacrifice.

Gil Replaces Geremek as OKP Chairman

AU1311123890 Warsaw RZECZPOSPOLITA in Polish 9 Nov 90 p 1

[Krzysztof Gottesman report: "The Club Continues To Exist"]

[Text] Contrary to what has been widely assumed, the Citizens Parliamentary Club [OKP] did not fall apart at Thursday's [8 November] meeting. It will continue to exist, but in a changed, federated form. One of the reasons for this turn in events would appear to have been the candidacy of a new chairman who is acceptable to all the main forces in the club. The candidate was Mieczyslaw Gil, the well-known "Solidarity" activist from Krakow. Although he openly and actively supports Walesa in the presidential elections, he has not associated himself with any particular faction in parliament. He received 118 of the 196 votes cast.

Before the vote, previous club chairman Bronislaw Geremek delivered a short speech.

He said: "There were differences within the club from the very beginning, but it derived unity from its common origins and a common program."

Professor Geremek then talked about the club's achievements and failures. He considered the achievements to include: the obtaining of parliamentary support for Tadeusz Mazowiecki's government, the introduction of fundamental amendments to the Constitution, the laws on a new economic system, local self-government, privatization, and the police, as well as the abolition of censorship.

Geremek described as failures, caused by differences within the OKP, to be the law on political parties, the delay in adopting new legislation on radio and television, the resolution backing a proportional representation electoral code, and the Sejm's failure to approve a resolution dissolving itself and setting a date for new parliamentary elections "which prolonged the existence of the last remnant of the roundtable agreements."

Geremek talked with bitterness about the conflicts within the club: "We were elected to jointly implement a program for abolishing the communist system and constructing a democratic and independent Poland. We were not elected to realize group or party interests."

At the end of his speech, Geremek submitted his resignation and that of the club presidium.

The adoption of a new statute—one defining the OKP as a federation of groups and circles—which was, in effect, a vote on whether to accept Geremek's resignation, was backed by 132 OKP deputies and senators with 33 voting against it.

Mieczyslaw Gil was the only candidate for office of chairman. It was proposed from the floor that Bronislaw Geremek and Maciej Bednarkiewicz run, but they turned down the proposals. Bednarkiewicz explained that he would not do so because he did not accept the changes that had taken place in the club. Geremek did not explain the reasons for his decisions.

In a speech before the vote took place, Gil said that his main goal was to preserve the OKP's fragile unity.

He said: "I agreed to run because I believe that this club should remain united until it completes its mission."

Senator Roman Dud, a professor from Wroclaw, was elected deputy chairman of the club. According to the new statute, the presidium will also include representatives of political groups and circles.

Michnik Comments on Roundtable, Polish Revolution

AU1411204090 Warsaw POLSKA ZBROJNA in Polish 12 Nov 90 p 3

[Interview with Sejm Deputy Adam Michnik, cofounder of the Citizens Movement Democratic Action by J.B. Grochowski; place and date not given: "A System of Collective Agreements"]

[Excerpts] [passage omitted] [Grochowski] The "roundtable" which started Poland's road from totalitarian democracy is a piece of furniture that is rather mistreated today.

[Michnik] Not for me. For me it was an excellent lesson in how to achieve democracy by means of compromise. People with various views and political opponents met at this table, but they all had a sense of responsibility for Poland. Of course the "roundtable" era is now over. We are in a different reality. Still this event has a permanent record in my political life. I am happy to have made my own modest contribution to it. [passage omitted]

[Grochowski] Because Poland began this Eastern revolution, many Poles think we deserve special treatment as the messiah of Europe.

[Michnik] We cannot consider ourselves to be the messiah of Europe because we are not. Do we have the right to make demands? We can made demands, but then the world will hold us in contempt. We must be able to establish a situation stable enough for the world to want to invest here. We must present Poland as a serious partner, a country that is safe to live in, a country free of xenophobia, an open country. That is the kind of Poland Prime Minister Mazowiecki is aiming toward, and by taking this road, we will receive special treatment by the world, for then the world will be concerned for Poland's welfare. If the forces of destabilization triumph, however, we will be doomed to isolation and poverty. We will be a poor relation of the rest of Europe.

The choice, however, is ours. If we choose well, we will have reason for justified pride, but if we choose badly, we will only have ourselves to blame.

Radio Free Europe Executive Explains Policy

AU1211140790 Warsaw RZECZPOSPOLITA in Polish 7 Nov 90 pp 1, 2

[Interview with Piotr Mroczyk, director of the Polish section of Radio Free Europe, by Ewa Szemplinska; place and date not given: "Free Europe in Warsaw"]

[Text] [Szemplinska] There has been an official Radio Free Europe in Warsaw since May 1990, and, as far as I know, you have been holding talks on the possibility of direct transmissions from Warsaw for several months now.

[Mroczyk] Seeing that we are here, and that freedom of expression reigns in Poland, it seems sensible to obtain permission to broadcast straight from Poland. That is purely a technical matter, because reception from transmitters outside Poland is poorer, and for the competition that exists (and will probably become even bigger), good reception is no trifle. Hence our efforts.

[Szemplinska] Why are they taking such a long time, and what is their outcome?

[Mroczyk] The talks have been very difficult for formal-organizational and legal reasons. A state monopoly over broadcasting was in force until recently. I also feel that another reason behind the hesitation is that the present situation is new and uncharted, and that it is perhaps better to wait.

[Szemplinska] Nevertheless we already have a BBC and Voice of America program in Poland, and here we are dealing with a Polish station that was compelled to broadcast from outside the country for many years.

[Mroczyk] That is true. Our station is independent and is not under the control of any government. What is more, on the basis of international agreements, we have been broadcasting on 720 meters medium wave for many years, so we are not trying to receive new wavebands or deprive anyone of the right to broadcast. All we want is to improve reception by installing a transmitter in Poland. The talks with the Radio and Television Committee and Ministry of Communications on this subject so far have been rather unyielding for many reasons, but now we seem to be approaching a happy finale. During our talk on 24 October, Minister Slezak gave a preliminary go-ahead for moving a transmitter into Poland and broadcasting on the same wavebands as before.

[Szemplinska] Will there be any reorganization of Radio Free Europe in connection with the "reorientation" toward Poland?

[Mroczyk] No. All our offices in Washington, New York, Munich, Paris, London, and Rome will remain. We will increase, however, the staff of our Warsaw bureau. Right now there are seven people in it, and we constantly feel that important matters which cannot be handled by a mere seven people are escaping us, and I am not the only person who thinks that Warsaw is the most fascinating city in Europe today. Such a lot is happening here.

[Szemplinska] How will the program be altered?

[Mroczyk] That has not been completely worked out and I prefer not to discuss the details, but of course the program will change. Right now we are broadcasting 10 hours of first-run programs, plus 20 news bulletins and repeats, every 24 hours, which was justifiable when our transmissions were jammed. Even now reception varies depending on the time of day, especially if one has an old radio receiver, but when transmissions are made from Poland, the problem will disappear.

[Szemplinska] For years, Radio Free Europe has been a station eagerly listened to by the Poles. They trusted it and learned from it about what was happening in Poland. Now the situation is different. There is no censorship, domestic stations are transforming themselves, and there is foreign competition. How can the broadcasting market be kept attractive?

[Mroczyk] I see no reason why Radio Free Europe should alter its style or programming policy. We want to preserve our profile of a political radio station, but we want to expand our social and cultural subject matter, for which there has never been enough time. As for the competition, I am pleased there is competition, just as I am pleased with the fact that radio stations in Poland can now broadcast according to the same principles that we have used from the very beginning.

[Szemplinska] Let me phrase my question another way. What possibilities do you see of beating the competition?

[Mroczyk] By continuing with our present style. Despite our commitment to Polish affairs, we try to be objective, and I think that is the present turbulent political climate in Poland, we are sitting a proficiency test.

[Szemplinska] Can a political radio station be devoid of emotion? That seems impossible in Poland, at least today, when the election fever turns every single journalist into a spokesman for some person or orientation.

[Mroczyk] That is rather disturbing, but perhaps it is natural in a country where freedom is still young and the first free election is about to take place. I assure you, however, that regardless of the outcome of the election, life will continue, and that in a few months time there will be new, equally emotional events which will also pass. We view all this in a somewhat different way, and we know that our basic task is to present information about the country and the world in an objective manner. Another trump card of ours is that we have correspondents all over the world and an excellent information center in Munich. We receive very quickly rich and professional material on what is happening in the world, as well as in the countries that neighbor Poland. Therefore we can present the news as it happens and make comparisons. Because we are in the West and have gained much practical experience from the West, not just theory, we can bring the Western world into the home of the Polish listener. Our programming policy in view of the situation we are observing in Poland is a separate issue. We have no intention of indulging in election propaganda and supporting any particular candidate, even though there are no limits on our air time and no one checks with a stop watch how long Mr. X has been talking.

[Szemplinska] Despite what you say, Radio Free Europe is accused of supporting Lech Walesa.

[Mroczyk] I have heard that opinion too, but I assure you it is not true. I repeat, we support no one in particular and discriminate against no one, but we do try to present the arguments and views of every side. Of course a reporter interviews a candidate according to his own pattern and taste, and does so in a way which he think will interest the listener. He can make a mistake, but people who do nothing are not the only ones who make mistakes. It can happen that one candidate may come over on the radio better than one of his adversaries, but there is nothing we can do about that. In any case, when the temperature is as high as it is right now in Poland, and at the same time there is a bad tendency to view the world in terms of "whoever is not on our side is against us," even an objective analysis can cause a controversy because one person might be pleased with it and another night not.

[Szemplinska] We know that Radio Free Europe is traditionally listened to in small communities such as villages, where a candidate who is busy with state affairs has virtually no possibility of making himself known. When Walesa is on the air and Mazowiecki is absent, I sometimes think that there is a grain of truth about this "pro-Walesa" attitude of Radio Free Europe.

[Mroczyk] I tell you I assume no responsibility over the way in which candidates conduct their election campaign, and I do not want to speak on the subject of the activity of any election team, nor how they interpret the meaning of public relations. I also with to add that we have invited Tadeusz Mazowiecki to take part in a program, and he will oblige when his busy schedule permits him to. I hope he will.

[Szemplinska] In conclusion, let us return, if we may, to the subject of objectivism in journalism, as well as independence. Nowhere in the world are there any completely independent media.

[Mroczyk] In the ideal sense of the word independence, you are right. In this world, everything depends on everything. On a public, political level, however, I assure you that independent media do exist, especially those independent of governments or political parties. In addition, there is the question of a certain ideal towards which we are all aiming. If we admit, as you do, that there are no independent media and there cannot be any, then we justify subjectivism and free ourselves of the duty to adhere to the rules of objectivism. Certainly, journalists have their own views, and their supervisors have their own separate views, but the point is a certain level of discipline which has to be heeded. A journalist's role is to inform, and he should keep his emotions and sympathies under control.

[Szemplinska] I remember the days when Radio Free Europe was full of commentaries.

[Mroczyk] Those were made on behalf of a society that was unable to speak out for itself. Today our commentaries are limited to an analysis of events, an explanation of phenomena, and the presentation of motives and backgrounds. We are doing all we can to present a balanced picture of Polish political events, and if people criticize us for that, there is nothing we can do.

[Szemplinska] You said you try to preserve objectivism, but the pressure of events is having an effect on journalists, on the question they ask, etc. On whose side are the feelings of you and your team?

[Mroczyk] Mine are on nobody's side, but even if I did have such feelings, that would make no difference to the programming philosophy. As far as individual members of the team are concerned, however, then indeed I see how one member supports this candidate and another that candidate. I do all I can, however, to prevent these feelings form being expressed in the air, though I realize I cannot always succeed.

Public Transport Strike Continues in Krakow

LD1411093890 Warsaw Domestic Service in Polish 0900 GMT 14 Nov 90

[Text] Public transportation employees are on strike for the second day running in Krakow despite an appeal by the NSZZ [Independent Self-Governing Trade Union] Solidarity Malopolska Regional Board to discontinue the strike, as well as mediation by representatives of the Metropolitan Curia. Substitute transportation is insufficient, and large traffic jams formed in Krakow this morning. People left for work on foot an early hour and many rode their bicycles despite the cold weather.

Oct Economic Performance Indicators Reported

AU1311190390 Warsaw RZECZPOSPOLITA Economy and Law Section in Polish 10-11 Nov 90 p 1

[Piotr Aleksandrowicz report: "GUS on October; Significant Salary and Price Increases"]

[Text] The Main Statistical Office [GUS] has published the economic performance figures for October 1990. It appears that only a few areas of the state sector registered a small increase of production, but this was lower than forecasted. With the gradual increase in unemployment, salaries have risen significantly and inflation has remained steady. The increase in the incomes of individuals and enterprises seem to have stimulated imports rather than internal production. The details are as follows:

State sector industrial production was 18 percent below the October 1990 level, but it was 10 percent above the September 1990 level. This is partly explained by the fact of there being more workdays in October (24 in October and only 21 in September). If output for the two months is compared on the basis of the same number of workdays, there was a slight dip in production.

Compared with September, there was a marked production output in the food industry (by 21 percent); wood and paper manufacturing (by 15.9 percent); and chemicals (by 10.3 percent). Output declined in the electric and machine industry sector (by 4.1 percent); the mineral mining sector (by 5.1 percent); and in light industry manufacturing (by 9.4 percent). Daily output rates in this latter group declined slightly.

State building and construction output was held at September 1990 levels. If compared on the basis of an equal number of workdays, this means a drop of 13 percent and is a drop of 10 percent compared with October 1989.

In foreign trade, exports to the ruble payment area were lower by 13.7 percent overall, and by 20 percent to the USSR. Compared with September, imports rose by 25 percent overall, and by 52 percent from the USSR. As a result, the balance of payments with the first payment area was large, but compared with the September figure, it was 50 percent lower (210 million rubles [R] in October, inclusive of R180 million with the USSR).

Exports to the second payment area amounted to $1,048 million—an increase of 72 percent on October 1989 (convertible currency exports up by 76 percent), and were only slightly lower (by 3.8 percent) compared to the record-breaking month of September. This, however, was accompanied by a surge of imports, which were 32 percent higher compared with October 1989, and almost 28 percent higher than in September 1990. Imports amounted to $759.1 million. This gave a trading balance excess of $289 million and a convertible currency balance excess of $323 million. The continuation of this export performance and the significant increase in imports (mostly commodity supplies) are positive elements. After 10 months of 1990, the dollar balance currently stands at $3.7 billion (this includes $3.2 billion in convertible currency).

Employment levels in all the five basic sectors of the state economy decreased by 1.1 percent compared with September, and now stand 13.4 percent lower than a year ago.

Salaries in the five basic sectors increased substantially, namely, by 11.5 percent compared with September 1990. The average salary throughout the five sectors is 1,254,000 zlotys [Z] monthly. In industry, it is Z1,301,000; in the mining industry it is near Z2,000,000 (Z1,875,000), and it is thought that it will pass the 2 million barrier in November 1990. In the processing industry sector the average monthly salary is now Z1,208,000. It is almost the same in the transport and communications sector. In the retail trade sector it is Z1,052,000, but in the telecommunications sector it jumped to Z1,600,000 monthly. This increase, however, is largely explained by special one-time payments.

From the initial data supplied by the National Bank of Poland, it appears that on average remuneration increased by 15 percent in October. One must bear in mind that the bank's published figures are based on actual payments made, inclusive of the budget sphere, whereas we are publishing GUS figures which are based on financial provisions made for a given month.

The result of using either set of figures is the same, namely, compared with September 1990, there was a substantial jump in the level of remuneration and incomes in October, which has exceeded price rises.

The increase in the retail price for goods and services rose by about 4.5 percent according to Ministry of Finance calculations. GUS is to publish its own figures in several days, but it puts industrial prices at 4.3 percent and construction industry prices at 4.2 percent. The indicator of industrial prices is the highest since February 1990.

As regards transaction prices with the second payment area, these increased by 4.7 percent for exports, and 2 percent for imports (the same for convertible currency prices). Favorable terms of trade applied in both payment areas.

Retail sales of goods in the state sector network increased dramatically in October and were 20 percent higher than in September. Nonfood sales rose by 33 percent; food sales rose by 7 percent; and sales of alcohol by 17.7 percent. In real terms, stocks have been kept at September levels.

Council Session Considers Foreign, Economic Issues

LD1411060290 Warsaw PAP in English 0110 GMT 14 Nov 90

[Text] Warsaw, Nov. 13—The Council of Ministers chaired by Prime Minister Tadeusz Mazowiecki discussed here today a strategy for foreign and economic policies of Poland.

Prime Minister Mazowiecki briefed the government members on his meeting with Chancellor Helmut Khol in Frankfurt An Der Oder and Slubice on November 8.

As a result of this meeting a border treaty between Poland and Germany will be signed in Warsaw on November 14.

The Council of Ministers highly assessed the Frankfurt talks and appraised Tadeusz Mazowiecki for their course and effects.

The government considered provisions of a state budget for 1991 and finally approved the provisions of the socio-economic policy for next year discussed during the previous meeting. The documents are to be submitted to the Sejm (lower house).

It is envisaged, among other things, that in 1991 the growth of production initiated in July will continue, exports to Eastern countries will drop while trade with

Western states is to grow, imports are also to increase, with investment imports growing at the fastest pace.

A plan for wages in 1991 assumed that the excessive wages tax would be maintained in industry, although modified. Wages in the budgetary area will be shaped according to hitherto principles.

The share of subsidies in budgetary expenditures and their real value will continue to decrease. Direct subsidies for housing construction are to be introduced. Budgetary expenditures on pursuing welfare programme, financing unemployment benefits and social assistance, will considerably grow. The expenditures on serving the foreign debt will also rise.

Soviet-German Rapprochement Welcomed

AU1511094290 Warsaw RZECZPOSPOLITA in Polish 12 Nov 90 p 7

[Jerzy Holzer commentary: "Unity of Interests"]

[Text] Even a few years ago, news of a Soviet-German treaty would have come as a thunderbolt for the Poles. For over 200 years, Poles have had the conviction (borne out by the realities) that their geopolitics only allowed them two alternatives, the unfavorable and the disastrous. It was always a question of choosing the lesser of two evils. Situated between two powerful neighbors, Poland had the choice of acknowledging Russian domination and facing up to Germany, or accepting German domination and facing up to the Russians. The specter of German-Russian (or Russian-German) rapprochement was a constant nightmare that haunted Polish politicians. Whenever such rapprochements occurred, Polish political, ethnic, and even its biological existence, were threatened.

Nothing better illustrates Polish successes on the international arena, as well as the changes that have occurred here, than the development of recent events. We have lived to see a friendly resolution of Polish-Soviet, Polish-Russian, Polish-Ukrainian, Polish-Lithuanian, and Polish-German relations. The meeting between Mikhail Gorbachev and Helmut Kohl and the accompanying German-Soviet rapprochement, is not taking place at the price of Polish interests, but in accordance with them.

Richard von Weizsaecker's words, spoken on 3 May 1990 in Warsaw, are coming true: "It is in the interests of both the Germans and the Poles that the new concept in the Soviet Union should not fail, that perestroyka is not destroyed, and that the program leading to a confederation of Soviet republics should succeed. We Germans are vitally interested in what the Poles think of this process and cooperating with the Poles to support as best as possible the Soviet Union's efforts in this direction, so that the Russians are not excluded from Europe."

It is in Polish, German, and Soviet interests to see that international stability, as well as peace in the world and in Europe is preserved. Stabilization does not mean what it meant in Brezhnev's Moscow, namely, maintenance of order under a cloak of complete isolation. To the east of Poland there great processes are taking and have to take place. It is important that these processes do not ignite into an inferno. This would be a particularly dangerous blaze, because history gives us no examples of a revolution within an nuclear arsenal.

Our common interests are also showing us how to prevent a new division of Europe by another iron curtain, which could divide the haves and the have nots, order and disorder, and the modern and the backward. Differences in development and everyday life exist throughout the world, but they only become dangerous when they are juxtaposed next to one another, when political boundaries serve to preserve economic disparity, when we cease to understand each other and fail to see the ways that could lead to understanding.

Poland does not want to see a new division of Europe along the Odra and Nysa [Oder-Neisse] Rivers, nor does it want to see a division along the Bug River. Mikhail Gorbachev's visits to Germany are an attempt to prevent such a division happening. For the first time in centuries, the Germans and the Russians are reaching agreement taking full account of Polish interests.

Commentary Views Mazowiecki-Kohl Border Meeting

AU1311190590 Warsaw RZECZPOSPOLITA in Polish 10-11 Nov 90 p 1

[Bozena Wawrzewska commentary: "A Success of Goodwill"]

[Text] The bridge between Frankfurt and Slubice, the one which Tadeusz Mazowiecki and Helmut Kohl crossed on Thursday, was decorated with three flags: the Polish flag, German flag, and between the two the dark blue and yellow flag of united Europe. In a sense this walk across the bridge was merely a symbolic gesture, for no one expected the talks between the heads of government of the two neighboring countries to bring Poland so close to the united countries of Western Europe. Before Poland can join this body, however, there are several problems to be solved, and the outcome of the talks in Frankfurt seem to have brought this solution closer.

Therefore, first of all it is necessary to create the legal framework for good relations with our neighboring countries. One can see that both sides possess the good will to do this. As we know, the border treaty is ready. It will be signed by the foreign ministers in Warsaw before the end of November. The second treaty, work on which is already under way, will be signed in January in accordance with the wishes of both sides, and placed before both parliaments for ratification in February. It is also the wish of both sides for the ratification process to be completed in February. No doubt this is an acceleration of work, for originally there was talk of Easter as a possible deadline for ratification.

It is clear that these treaties merely form a framework which will be filled by concrete, detailed agreements. For example, as far as cooperation between regions is concerned, there is talk of creating a union of the four border voivodships which would develop cooperation with the German laender across the border. Local authorities will be able to establish good-neighborly cross-border relations, just like the citizens of Frankfurt and Slubice. This good-neighborly cooperation should take place on three levels: government, region, and district.

Of course, this cooperation will be different when one is able to cross the border freely. The vexing problem of visas for Poles will probably be solved soon. The Germans are consulting France and the Benelux countries about lifting the visa requirement for Poles. These talks are proceeding favorably which permit the hope that unrestricted travel from Poland to Germany and vice versa will be possible before Christmas. Other countries will probably follow suit.

Obviously, it will also be necessary to improve border procedures, and this was also discussed during the Kohl-Mazowiecki talks. More border crossings will be opened, and crossing the border will no longer be such an ordeal. Youth exchanges will be increased; a special bureau will deal with this sphere. The question of the German minority in Poland will also be resolved in accordance with international standards, for the German minority will be protected by the provisions of the CSCE Final Act and Convention on Human Rights.

The Polish authorities have not, however, lost sight of the question of war reparations. They will return to the subject and discuss ways of receiving this compensation, possibly through a special fund created for this purpose. It seems that right now, neither the question of minorities nor that of reparations are an obstacle on the road to a clear improvement in Polish-German relations.

Finally, the Germans, declaring their readiness to accord the same status to the Oder-Neisse [Odra-Nysa] border as to any other German border, are clearly saying that this border must not mark a division between a rich, developed Europe and a poor, underdeveloped one. It should not represent a border of prosperity. They want Poland to reach the West European level of development as quickly as possible. They realize, however, our difficulties, and are trying to represent our interests in the Paris Club and in talks on the subject of debts and on making good the economic losses incurred as a result of the Persian Gulf conflict.

Germany also wants to represent Poland's interests in the EEC, one sign of which is German support for Poland's efforts to achieve EEC associate membership.

So the meeting in Frankfurt and Slubice has shown that relations between Germany and Poland have undergone a fundamental improvement. On the one hand this is a success by the Polish Government under Tadeusz Mazowiecki, and on the other hand it serves as evidence of Chancellor Kohl's goodwill.

The decisions that have been reached, pleasing to the Poles, permit the assumption that a permanent reconciliation, which ought to be the culmination of the agreements and treaties, is within reach.

Anniversary of Nov 1987 Brasov Revolt Commemorated

Timis Police Chief on Preparations

AU1311112590 Bucharest ROMPRES in English 0953 GMT 13 Nov 90

[Text] Bucharest, ROMPRES, 13/11/1990—Colonel Viorel Oancea, chief of the Timis County Police, told a press conference held in the Timisoara City Hall on Monday [12 November] that, in preparation of a demonstration scheduled on November 15, numerous persons go to every enterprise and urge people to take part in the demonstration and take along contusive [word as received] objects. Molotov cocktails, etc. The press conference was arranged by the police and by [the] mayoralty in order to ask the organizers (the Civic Alliance, the Timisoara Society, the Former Detainees' Association, the University Solidarity and the "Tot Banatu-i Fruncea" Association) to help them ensure a peaceful and orderly demonstration. The organizers stated the purpose of the demonstration as the commemoration of three years since the Brasov incidents. Leaflets signed "the Civic Alliance" were circulated through Timisoara streets, enterprises and institutions, urging people to unite their voices in an "unanimous protest".

Interior Ministry Calls For Calm

AU1511120990 Bucharest ROMPRES in English 1945 GMT 14 Nov 90

[Text] Bucharest ROMPRES 14/11/1990—To praise the Brasov heroes of the November 15, 1987 fight for social freedom and justice, events will be organized in a number of Romanian localities on November 15, 1990, reads a release sent in to ROMPRES by the Ministry of the Interior.

Unfortunately, rumors have spread in this connection, pointing to provocation and incitement to violence, to upsetting public order and quiet, actions contrary to the ideals of the November 1987 and December 1989 revolutionaries. Therefore, we ask the organizers of the demonstrations to take every necessary step, so that, with the assistance of police, conditions be created for their decent and urbane unfolding, the release shows.

According to the attributions conferred by the law and the decisions of Romania's Parliament, the Ministry of the Interior urges to calm and reason and assures the population that all its staff protects social stability and civic safety.

Parliament To Hold Session

AU1411195690 Bucharest ROMPRES in English 1833 GMT 14 Nov 90

[Text] Bucharest, ROMPRES 14/11/1990—Opening the Senate plenary session of Wednesday, November 14, Mr. Alexandru Barladeanu said: "Tomorrow it will be three years since the anticommunist demonstration of the workers, of the population of Brasov. There is no doubt November 15, 1989 will be considered to have opened the way to the revolution of December 1989." Consequently the Senate's president proposed, and the senators agreed, that the two chambers should commemorate in a joint meeting the day that would be remembered as important in the revolution history. Alexandru Barladeanu also proposed that a delegation of those who had shown their opposition in Brasov three years ago should participate in the joint session of the two chambers of the Romanian Parliament.

Joint Session Held 15 Nov

AU1511215690 Bucharest ROMPRES in English 2114 GMT 15 Nov 90

[Text] Bucharest, ROMPRES, 15/11/1990—Romania's Parliament met on November 15 to mark three years since the revolt of workers and residents of Brasov City of 1987 against the communist regime, against dictatorship. As is known, the Parliament invited to the session a delegation of the representatives of the Brasov November 15 Movement. To the applause of the deputies and senators were introduced Vasile Anghel, Daniel Anghel and Lucian Szilaghi.

Taking the floor, Speaker Dan Martian of the Assembly of Deputies made a point of stressing that the Brasov workers' movement signified an act of great civic courage and of great risk, at a time when the oppressive structures of the dictatorship were performing most efficiently.

He also noted the great courage of thousands of men, women and youth of Brasov at that time which had marked in fact a political moment with historical resonance in Romania. The Brasov people's heroical gesture kindled the torch of hope for the whole Romanian people which triumphed in last December's revolution.

In token of high valuation of the Brasov heroes of three years ago, their representative delivered to the Parliament a moving address. "In behalf of the 15 November Association and of the movement as a whole", the speaker said, " we thank you for the invitation to attend this solemn session of commemoration of the November 15, 1987 events." After surveying the previous major events, the November 15 moment, the political context in which the actions had taken place, Vasile Anghel mentioned that the Brasov workers had told a definite no to communism and not only to Ceausescu. He added: "We take this opportunity to announce Romania's Parliament and the whole nation that the legal and administrative situation of the persons arrested and deported after the November 15, 1987 events is not settled yet, in spite of the numerous demarches with the relevant institutions."

In behalf of the participants in the Brasov events, the speaker requested that:

The day of November 15 be proclaimed national day of fight against communism.

Romania's Parliament, the Ministry of Justice and the General Procurator's Office should take into consideration the letters addressed for the settlement of their legal situation as victims of the general trial of December 1987, the reopening of the Brasov trial since in the February 1990 public session the accused were not personally summoned to the court and the judges were not supplied with documents and evidences, while the statements in the records are kept secret. The documents should be publicized so that everybody should learn what the November 15, 1987 moment really meant in Romania's contemporary history.

In token of valuation, gratitude and solidarity with the Brasov people who had kindled the torch of revolution in Romania three years ago, the leaders of the political formations in the Parliament, a number of senators and deputies took the floor. They stressed that the November 15, 1987 event in Brasov had been the prelude of the Romanian revolution of December 1989 against communism and dictatorship, marking a political act with profound significance for Romania's history.

It was pointed out that the Brasov revolt proceeded against the background of a structural crisis of the Romanian society as a whole, and of previous social movements, like those of the Jiu Valley miners of 1977.

Also, the speakers showed that the observance of the Brasov people's heroical acts proceeded at a time when the Romanian society needed unity and work more than ever, so that the ideals of those who had suffered in the years of communism should come true, and Romania should become a prosperous and democratic state.

At the close of the joint session, Dan Martian announced that he had been informed that the Ministry of Justice had advanced a memo to the General Procurator's Office authorizing the reopening of the Brasov trial.

The Parliament welcomed in the session the presence of distinguished foreign guests the delegation for Romania of the European Parliament, headed by Mrs. Maria Adelaide Aglietta, chairman of the delegation for Romania, member of the foreign economic relations and Foreign Affairs Commissions, as well as the delegation of the Commission for the relations with the non-member European countries of the Parliamentary Assembly of the Council of Europe.

Iliescu Issues Statement

AU1411221690 Bucharest Domestic Service in Romanian 2000 GMT 14 Nov 90

[Statement by President Ion Iliescu on occasion of third anniversary of Brasov workers' revolt; place and date not given—recorded]

[Text] [Announcer] We will now present a statement by President Ion Iliescu on the third anniversary of the revolutionary actions of the Brasov workers on 15 November 1987 against communist totalitarianism and Ceausescu's dictatorship.

[Iliescu] November 15 is of particular emotional significance for all of us. On this day our thoughts naturally turn—with gratitude and admiration—to the residents of Brasov who, three years ago on 15 November 1987, had the courage not only to contest but even openly defy Ceausescu's totalitarian regime.

The Brasov workers' firm action, which gained a great response throughout the country, gave hope and demonstrated to all those who were able to see that the moment of the final breakdown was not far away. As a matter of fact, the adversity and opposition to the totalitarian regime in Romania took place constantly and intensified alongside the aggravation of difficulties and the constraints characteristic of a political social system, which is alien to our people's conduct and to their centuries-old aspirations characterized by humaneness, dignity, respect, and regard for their fellow human beings.

At this point, we have no precise data available about all antitotalitarian manifestations in Romania. This is one of the basic duties of historians, political scientists, and sociologists. It is clear, however, that the Brasov workers' revolt of November 1987 is among the most important manifestations. The basic cause of the revolt was the accentuation of the crisis of the bankrupt social communist system in its basic areas: economic, political, moral, and intellectual. The immediate cause was the overt and often brutal restriction of such elementary rights as labor and life, as well as the generalization of the oppressive and paralyzing atmosphere of suspicion, slander, fear, and constraint. All this was compounded by a voluntary management mechanism which gave personal whims completely aberrant dimensions, and by a system of subordinating productive activity to megalomaniac, expensive, and unprofitable ambitions.

Under these conditions, it was obvious that the frail social balance in Romania—including the economic and political balance—was to collapse sooner or later. The Brasov workers' action heralded the revolutionary explosion of the Romanian people in December 1989.

Recalling this event and paying homage to the Brasov residents, today we fulfill a moral and civic duty. It is our obligation to first rehabilitate these people before the whole nation. We should also recognize and praise their merits even more today when, thanks to the victory of the December 1989 revolution, the legitimate ideals of the Brasov demonstrators and of so many other known or unknown heroes, and in fact of all citizens of Romania, begin to become true.

We are experiencing the full development process of Romanian society. Together we are trying to overcome the inherent difficulties of such a period of transition—as we have called it—to a market-oriented economy and a pluralist political democratic system. The situation we have inherited explains many of the difficult problems we are

facing; however, in just a matter of a few months we have achieved tremendous changes. If we look to the future, the reforms promoted are designed to bring us important gains which, in the final analysis, will lead to the well-being and civilization of even the current generation.

What we should seek in these decisive times for the Romanian nation is unity around our traditional values and around those major ideas which have always guided us and have permitted us to manifest ourselves as a hardworking, dignified, enterprising, and truth-loving people.

Paying my homage to the Brasov workers, I trust the capability of all social forces in our country, the political parties, trade unions, other representative bodies, and our whole people to work in a constructive, united, and mature way to consolidate our structures, institutions, democratic principles, and our state of law, and to implement the reform so badly needed by Romania and all of us. I trust that all of us will work with devotion to rebuild and renew our national economy to ensure well-being and to place the Romanian society in the orbit of present-day social progress.

Defense Ministry Issues Statement

AU1411213890 Bucharest ROMPRES in English 2100 GMT 14 Nov 90

[Text] Bucharest, ROMPRES 14/11/1990—We celebrate three years since the revolutionary events of Brasov—November 15, 1987—an important moment in the development of the anti-totalitarian movement that had a notable contribution to the triggering off of the December 1989 revolution, reads a press release from the Ministry of National Defence on November 14 evening.

At the same time, certain forces that call themselves apolitical, announce actions with a non-democratic, even aggressive character which they want to start concomitant with the peaceful rallies and demonstrations of celebration, the release shows.

We think it necessary to mention that the Romanian Army respects all political options, no matter their orientation, does not take the stand of any party or other political force, but it cannot stay indifferent if violent actions take place that can endanger the lawful order in the Romanian state, the release reads.

Therefore, we urge all citizens, all groups and social forces in Romania not to accept the provocative, destabilizing actions, not to endanger through illegal actions the new democratic course gaining ground in Romania and not to play in the hands of those who would like this time too, to show to the outside world that the Romanian people is not prepared "to join Europe."

A furtherer of the fight traditions of the people for independence and sovereignty, a warrantor of the democratic values won by sacrifices in the December 1989 revolution, the Romanian Army will be ready any time to defend with dedication and self-denial the ancestors' land and the lawful order in the state, to fulfil now and in future the missions entrusted by Romania's lawful leadership.

Demonstrations Held To Mark Brasov Anniversary

15 Nov Association Holds Meeting

AU1511150790 Bucharest Domestic Service in Romanian 1400 GMT 15 Nov 90

[Text] A meeting took place in Brasov today which was organized by the 15 November Association, in cooperation with opposition political parties, organizations, institutions, and with guests of some parties and organizations from Bucharest and from several counties.

The participants demonstrated against the National Salvation Front, the government, and the Securitate; they demonstrated against price liberalization, and the reforms adopted by the Parliament and government, which they view as ineffective.

In response to the call of the Civic Alliance, many citizens of Bucharest today gathered in Revolution Square—formerly Palace Square—to participate in a march along Victory Street, Victory Square, Ana Ipatescu Boulevard, Roman Square, Magheru Boulevard, University Square, Kogalniceanu Square, Victory Street and back to Revolution Square where a big meeting will be held.

The crowd is chanting anticommunist and antigovernment slogans and slogans against the country's president.

Iliescu Meets 15 Nov Association

AU1511151490 Bucharest Domestic Service in Romanian 1400 GMT 15 Nov 90

[Text] President Ion Iliescu met with a delegation of Brasov 15 November Association at Cotroceni Palace today. The delegation was made up of Mr. Vasile Anghel, president of the association; and Damian Anghel, and Lucian Silagy, members. The delegation was accompanied by Messrs. Vasile Bran, deputy of Brasov, and Mihai Tarcala, senator of Brasov.

Romania's president expressed words of appreciation for the special role played by the workers' movement, which started three years ago in Brasov, against social injustice caused by the totalitarian system and supported the idea of moral and material rehabilitation of those who had to suffer from repression.

The head of state also recommended that the members of the Brasov 15 November Association distance themselves from those forces in the country that are trying to use the prestige of this association to create confusion and social tension.

Rallies Held in Brasov

AU1511220290 Bucharest ROMPRES in English 2150 GMT 15 Nov 90

[Text] Bucharest, ROMPRES, 15/11/1990—The Brasov demonstrators started from the truck enterprise at 12:30, from the same place where three years ago thousands of truck builders who started on their protest march that would become historical, marking the first revolt against Ceausescu and against communism in a county seat. In the beginning the file counted a little more than 2,000, mostly young.

As the file neared the centre of the city it was swollen and two more files on the side walks accompanied the demonstrators. More hundreds waited in front of the prefect's office. All of them made for the council square, where antigovernment slogans were shouted and the anthem "Wake up, Romanian" was sung. The crowd was addressed by Gabriel Filichi, Mircea Sevaciuc—of the November 15 movement, Traian Pascu—the Timisoara Federation of the Timis Unions, Lorin Fortuna, in behalf of the Anti-Totalitarian Democratic Forum of Romania, Sorin Rosca Stanescu of the daily ROMANIA LIBERA, Doina Cornea, Gabriel Andreescu, Toader Stetca, former Sapinta Mayor, and others. The salute of a miners' delegation from the Jiu Valley was presented.

At the close of the rally, the Brasov Proclamation was read out, which among other things requests the decreeing of the day of November 15 as day of fight against communism.

After the Brasov rally ended, thousands of demonstrators in the streets continued to shout anti-government and anti-NSF [National Salvation Front—FSN] slogans, against Ion Iliescu, against the prefect and Prefect's Office. Some 3,000 stopped in front of the Prefect's Office where they actually started the rally again. A row of gendarme students and one of policemen stood in front of the Prefect's Office. Every now and then petards were blasted and demonstrators booed and whistled their disapproval.

Rallies Held in Iasi, Cluj, Ploiesti

AU1511220190 Bucharest ROMPRES in English 2155 GMT 15 Nov 90

[Text] Bucharest, ROMPRES, 15/11/1990—A march and a rally were organized in Iasi by the local branch of the Civic Alliance, the AGORA Society, the Medical Student's Society, the League of the Students of Iasi University, together with the Brasov November 15 Association. Along the itinerary covered an in the Unirii Square, where the rally was held, slogans were shouted against the government and against the Parliament, the president and the prime minister were requested to resign. The Brasov Proclamation was read out from the balcony of the Traian Hotel, no violence was repoted.

A rally was organized in Cluj-Napoca by the Cluj Anti-Totalitarian Democratic Forum and the Organization of Anti-Totalitarian Revolutionary Forces for the Consolidation of the Unity and Freedom (FRACUL) participated in by several hundreds.

Alexandru Netea read out the appeal of the Civic Alliance, a document sent from Bucharest by telex earlier in the day. Addresses were made by Aurel Badiu, executive chairman of the Cluj Anti-Totaltarian Democratic Forum, Petru Borodi, representative of the FRACUL and others, who highlighted the significance of the Brasov revolutionary movement of the autumn of 1987.

Anti-government and anti-presidential slogans were shouted. The huymn of the hooligans was sung at the end.

The rally took place in an unauthorized place.

Thousands of citizens of Ploiesti took part, Thursday afternoon, in the meeting organised by the Prahova Branch of the Democratic Antitoalitarian Front. The speakers referred to the disastruous economic situation of the country, to the difficult living conditions of most of the people.

During the evening, the demonstrators streamed to the county prefecture and chanted slogans against the president, the government, against communism.

Rallies in Bucharest, Provinces

AU1511230390 Bucharest ROMPRES in English 2216 GMT 15 Nov 90

[Text] Bucharest, ROMPRES, 15/11/1990—Over 2,000 citizens of various ages and professions in Suceava City attended on November 15 in the afternoon a rally of solidarity with the ideals of the participants in the Brasov worker revolt against totalitarianism and communism of three years ago.

Organized upon the initiative of the local Group for Ecological and Social Dialogue, the event proceeded without incidents in the city's central square. The participants expressed their discontent at the recent price liberalization and disappointment in connection with the country's current socio-economic situation. The crowd shouted for minutes on end "Down with the Communists", "Down with the nomenklatura", "Down with the Securitate".

The Revolution Square in Bucharest is the venue of a rally addressed by various personalities of cultural life, representatives of unions and other associations.

As the file of demonstrators passed, road traffic proceeds normally in the University Square in Bucharest.

A rally started in the Opera House Square in Timisoara on November 15 in the afternoon, organized by the local Civic Alliance. The opening speech was delivered by George Erban, chairman of the Timisoara Society, one of the organizers of the rally marking three years since the Brasov movement against Ceausescu. Authorities estimate that over 15,000 citizens rallied in the Opera House Square in the rainy afternoon. The rally proceeds peacefully.

A rally was held in the Ovidiu Square in Constanta on November 15 afternoon to mark the anniversary of the anti-communist movement in Brasov. The rally, organized by the Romanian Anti-Totalitarian Democratic Forum, was attended by several thousands of city residents. The speakers evoked the courage and dedication proved by the Brasov people in 1987. They shouted slogans against the government and against communism. A motion was endorsed at the close of the rally, demanding urgent steps to prevent the socio-economic situation in the country and in the Constanta County from further deteriorating.

100,000 Demonstrate Nationwide

AU1511195890 Paris AFP in English 1939 GMT 15 Nov 90

[Text] Bucharest, Nov 15 (AFP)—Close to 100,000 people demonstrated against the government of President Ion Iliescu here and in cities throughout Romania on Thursday, according to several sources. The demonstrations, the largest since the occupation of University Square last spring, were billed as an anniversary commemoration of a 1987 workers' revolt in the city of Brasov against the former Ceausescu regime, but developed into anti-government protests throughout the country. The demonstrations were called by the opposition Civic Alliance, formed on November 7 as a coalition of Romanian intellectual organizations and the November 15 Association of veterans of the 1987 revolt.

In the capital, close to 50,000 demonstrators met at Palace Square, where the late dictator Nicolae Ceausescu was shouted down by a crowd on December 21, 1989, before moving on to government headquarters and the former seat of the Communist Party Central Committee. Speakers included former education minister Mihai Sora and student leader Marian Munteanu, who was seriously injured when miners put down anti-government protests in June.

The two men demanded that the government reveal "the truth" about both the December 1989 uprising which toppled Ceausescu and the June clashes, and warned against a return to the mistakes of the past. "Let us fearlessly show our desire for liberty," said Mr. Munteanu, adding that the demonstration was not against the price increases recently announced by the government, but against "11 months of lies." Demonstrators carrying Romanian flags shouted "Down with communism," "Down with Iliescu" and "Liberty, Unity." More than 15,000 people demonstrated in Timisoara, the cradle of the uprising which toppled Ceausescu, according to the news agency Rompres.

In Brasov, over 10,000 people paid homage to the workers who initiated the 1987 revolt by staging a "recreation" of the uprising. Dissident Doina Cornea joined other speakers in emphasizing "the need to continue and amplify the struggle against communism," asserting that "the causes of the 1987 revolt are here again today."

The Brasov revolt began as a demonstration by more than 20,000 workers against the austerity policies of the Ceausescu regime and turned into a riot which resulted in the burning of the mayor's office and the local Communist Party headquarters. Official figures at the time said that two people were killed and 400 arrested in the uprising.

The Civic Alliance released a statement on Thursday saying that it aimed to fight for "true reforms applied without distorting the meaning of the word reform." "We ask Parliament to publicly discuss all possible economic reforms and not only those of the government, and to adopt the reforms by consensus after discussions with the unions," the statement said.

Romanian authorities also praised the Brasov revolt. On Thursday, Mr. Iliescu said that "The ideals of the Brasov protestors in 1987 are becoming reality," and received a delegation of workers who participated in the uprising. Meanwhile, the Justice Ministry announced in a communique that it had asked the Attorney General to take "extraordinary action" so that the acts of the Brasov protestors "be recognized as political acts and not violations of common law."

50,000 Attend Bucharest March

AU1511211190 Bucharest ROMPRES in English 2030 GMT 15 Nov 90

[Text] Bucharest, ROMPRES, 15/11/1990—The Bucharest demonstrators attended a big rally in the Revolution Square. Over 50,000 were present. In a heated atmosphere they demanded the Roman government's and President Iliescu's resignation, accusing the Parliament of lack of efficiency in the settlement of the grave issues of the Romanian economy. Addresses were made by Mihai Sora, philosopher, Stefan Radoff, actor, Marian Munteanu, Radu Filipescu, Engineer Vasile Deaconescu of the Timisoara Society, Emil Constantinescu, university reader, Eugen Boroci, university reader, Reverend Father Brebeanu; Poetess Ana Blandiana, Journalist Peter Banyai, Journalist Petre Mihai Bacanu, Actor Mircea Diaconu, Rodion Galeriu, Pupil Alina Grigorescu, Dumitru Iuga, chairman of the TV Free Union, Ion Manucu from Craiova, Vasile Pilat, economist, Actor Dragos Pislaru, Constantin Ticu Dumitrescu, chairman of the Association of Former Political Detainees.

A delegate from Bessarabia spoke of the political situation in the Republic of Moldova and the attempts at its territorial integrity.

Actor Ion Caramitru too, made an attempt to speak in the end, but he was booed and whistled. He had to leave.

The rally proceeded peacefully and ended with the so-called march of the Golaniad and the appeal of the organizers that all participants go quietly home.

Student Leader Munteanu Speaks

AU1511214790 Bucharest ROMPRES in English 1946 GMT 15 Nov 90

[Text] Bucharest, ROMPRES, 15/11/1990—The march organized by the Civic Alliance of Romania in marking three years since the Brasov revolt of November 15, 1987, started in the revolution Square in Bucharest on November 15, at 15:00 hrs [1300 GMT]

Upon the Alliance's call, which includes a number of apolitical organizations and formations, several thousands of Bucharesters started on the established itinerary.

The demonstrators carried [words indistinct] against the government, against the National Salvation Front and the country's president. Some slogans invite to solidarity with Bessarabia and other ones express solidarity with the Brasov residents and demand the rehabilitation of the former political detainees of November 15.

Before the march started, student leader Marian Munteanu asked the participants that the action should proceed in the spirit of peaceful democracy. "Let us not obey by calls running counter to this spirit" the speaker said.

Civic Alliance Issues Statement

AU1511213690 Bucharest ROMPRES in English 2120 GMT 15 Nov 90

["Commemoration of Brasov Revolt: Statement by the Civic Alliance at the Meeting in University Square"—ROMPRES headline]

[Text] Bucharest, ROMPRES, 15/11/1990—Taking into account that the current liberalization of prices is a false economic reform as it has not been preceded by several essential measures like actual privatization in the sphere of production and the creation of new jobs, restitution of lands to the peasants who were deprived of them by hastening the endorsement of the land law, faster drawing of foreign capital investors by a legislative system apt to guarantee investment security, reform of the payment system and of the mechanism of protecting citizens, we demand the Parliament to publicly debate all the variants of economic reforms not only the government's, the setting up of joint parliamentary and civic commissions to purify the Prosecutor's Office, the judicial and police bodies, the gendarmerie, we back the Army's democratization in the spirit of the ideas put forth by CADA [Action Committee for the Democratization of the Army], demand immediate publication of the report of the commission inquiring into the Tirgu Mures events and of the report of the parliamentary commission analysing the June 13-15 events, the bringing to the court of the ones who devasted the capital's police headquarters, the television building the university and the headquarters of some parties and other public institutions, and who committed acts of vandalism and attempted murder, shows that statement. [sentence as received]

The statement also demands full freedom of information, the creation of an independent T.V. station, and others. The Civic Alliance also calls in its statement on the common market, the Council of Europe, the International Monetary Fund, the World Bank, the U.S. Congress, and on all the developed states to grant technological, financial and humanitarian support, including the most-favoured-nation clause. It also demands the Parliament to fulfil with priority its attributions of [the] constituent assembly hastening the elaboration of the Constitution and submitting it to the people for debate before it is endorsed.

Press Organs React to Brasov Revolt Commemoration

AU1511154190 Bucharest ROMPRES in English 1333 GMT 15 Nov 90

["Press Attitudes on Brasov Revolt Commemoration"—ROMPRES headline]

[Text] Bucharest, ROMPRES, 15/11/1990—Daily "ROMANIA LIBERA": "....The sacrifice of those who made a breach in the terrible national consensus of communist slavery on November 15, 1987 is a matrix that will give birth to new heroes in the struggle for freedom. In this troubled November the town of Brasov is without dreams and without sleep".

Referring to this Wednesday's symposium of Brasov: "All speakers underlined that the November 15 moment was only the beginning of a chapter and it must continue until democracy and freedom are attained. The major thing, one of the speakers said, was the necessity to reach a wider solidarity beyond groups, parties or alliances as the only way to really solve the country's problems."

Daily "DREPTATEA": "...It was a crucial moment in the struggle against the communist system and a prologue of the changes which were to occur in the countries members of the former Soviet bloc".

From the appeal of the Christian and Democratic National Peasant Party: "...The blood shed by the workers of Brasov marked a brilliant moment which foreshadowed Timisoara and Bucharest (...) and proved communist domination could be overthrown (...) nowadays the Romanian people is practically facing the same problems (...) the National Peasant Party welcomes the peaceful demonstrations on November 15, 1990 (...) they will commemorate three years since the Brasov revolt and five months since the tragic events of June 13-15 in Bucharest, expressing once more the Romanian people's clear option against communism and neo-communism."

Daily "AZI": quoting from the communique of National Salvation Front's steering board: "...The general strike of the Valea Jiului [Jiu Valley] miners in August 1977 (...) the Brasov revolt in November 1987, actions of deep significance both nationally and internationally (...). The Romanian people disputed communist dictatorship and bureaucracy (...) thus denying the false image Ceausescu's propaganda had created abroad; (...) the National Salvation Front attaches particular importance to that anniversary and organizes commemorative events at all of its offices; (...) we are convinced all other actions, meetings and rallies will unfold in a general climate of understanding, civic behavior and respect of the lawful order giving expression to national solidarity."

Quoting from an article under the headline: "Power Greed Alliance (hinting at the Civic Alliance): "we are naturally worried and greatly troubled by the obviously adventurist and highly dangerous character of the rallies staged in the capital and in other towns of the country today by those who really wish to confiscate the December revolution ideals (...) we are deeply worried by the "coincidence" of the actions staged in various towns, including the declaration of the so-called Secret Committee for Police Democratization (which invokes an "emergency case" now imminent) with the "initiative" to stage today's meeting and March. Furthermore, during last Sunday's meeting of the Group for Social Dialogue with illegal Army organizations very serious statements were made apt to fan public tension and unrest".

Daily "DIMINEATA" from the article "November 15 Movement Whither?": "In September, the November 15 movement surely started its integration into extremist opposition under the group for social dialogue banner, in an attempt to increase the state of social war by exacerbating the workers' real discontent. The November 15 movement, borrowing the demagogic vocabulary of the group for social dialogue, states: "we are making trade union policy, social policy, economic policy with our very word and gesture", adding that "trade unions should be non-partisan, not apolitical".

Daily "ADEVARUL": from the article "The Long-Expected Unexpected": "political conscience seems to polarize in a strange retrospective strabismus: political revanche, eager to heighten, dramatize and praise the size, forms and results of past resistance on the one hand, and tolerant reconciliation willing to forget, to indulge in a nostalgia over the past and, why not?, repeat it".

Daily "REALITATEA": from the article "A Warning of History, a Warning for History" under a motto by historian Nicolae Iorga: "Who forgets deserves no better": "...And a warning to all those who will not understand that a people may keep silent for a long time but cannot be kept silent forever."

Ministry Appeal To Prosecutor on Brasov Detainees

AU1511192990 Bucharest ROMPRES in English 1848 GMT 15 Nov 90

[Text] Bucharest, ROMPRES, 15/11/1990—On November 15, the Ministry of Justice asked Romania's Prosecutor General to lodge an extraordinary appeal against a definitive legal decision so that it may acknowledge that the 61 revolutionaries in Brasov committed political offenses against the dictatorship on November 15, 1987, and not petty crimes.

A communique from the Press Bureau of the Justice Ministry shows that after the December revolution the Brasov heroes were acquitted by the Supreme Court of Justice of the petty crimes for which they had been sentenced and the respective decision did not specify that their deeds were political offenses.

The Ministry of Justice considers that the respective decision did serious injustice and that it should be reworded so as to recognize the political, anti-Ceausescu and anti-communist character of the deeds of the 61 people of Brasov.

Roman, Vatasescu Discuss Economic Reforms

AU1011142890

[Editorial Report] Bucharest Television Network in Romanian at 1700 GMT on 24 October carries a 40-minute program in the series "Viewpoints" devoted to the government.

The program, that was recorded in progress, consists of a video clip on a roundtable at which Prime Minister Petre Roman and Anton Vatasescu, minister of state in charge of industrial and trade activities, discuss privatization and price liberalization issues with six unidentified journalists.

Anton Vatasescu points out that the privatization process will take a long time. In this connection, Roman says that "the economy does not function on the basis of goodwill. Forty years of communism have proved this. The economy functions on solid principles of negotiations between partners." He emphasizes that "the deadlock in the economy has to be overcome" and that "trade companies have to be able to exercise their right to autonomy." He also points out that in the privatization process "social capital has to be protected." He then mentions that this process has been going on for years in Romania's neighboring countries and that "a serious deterioration of the economic situation took place in all cases."

Vatasescu explains that price proposals have been made and that negotiations on domestic trade are under way. On the basis of concrete examples, he explains how price liberalization will be implemented and what subsidies will be granted.

Responding to a question from one of the six journalists in connection with how price liberalization will affect wages, Roman says that compensation will be granted to maintain "at least the current living standard," and that a law on wages is being examined. He emphasizes that "simultaneous wage and price liberalization would have led to an uncontrollable situation in the economy" because if wages increased without a law on taxes or a law on taxes levied on profits—that is, "without the control instruments"—price liberalization would have let "things get out of hand." To this he adds that "wage liberalization will follow." Also in connection with the law on wages he stresses that "it has to ensure wages for the people who are the pillars of the production process." Then he goes on to explain that the Parliament is currently discussing a bill on unemployment.

In connection with a question on the price liberalization shock and if the government is prepared to absorb this shock, Roman says: "There are risks," and "there may be tension"; there may be "fears," but "it should not be a shock." Then he emphasizes that "well-consolidated trade unions would be important" so as to "depend on their understanding." In connection with what the press writes, he says that "it is important to do away with half-truths and distortions." As to expectations, he says that there is hope that "the social situation will not deteriorate so as to question the rationale of these measures."

Mentioning a remark by Finance Minister Teodor Stolojan—namely, that he would not like to be in any of their places—Roman counters: "We have assumed a responsibility, not a risk," and if things "proceed positively" this social tension "will not jeopardize the essence of our measure."

In response to questions about competence, Vatasescu says that foreign experts who have examined the reform promoted by Romania have said that "it is a good reform."

In connection with another question on social aspects such as food allocations for hospitals and winter supplies, which have not yet been ensured for them, in light of increased prices, Roman says that "all these things have been provided for in the 1991 Ministry of Health budget." Referring to social security, he says that a law has to be worked out to increase the quota of social security to minimum 20 percent, or maybe 22 percent—"a source for better social assistance."

To a question about the nurseries that existed in large enterprises and their profitability in light of increased prices, Roman stresses that "large enterprises should struggle to continue such nurseries" because the law on profit taxes provides for such social facilities. An alternative, he says, is to establish private kindergartens and nurseries.

One of the six journalists then mentions that Roman has termed this measure as the most important step since the revolution. Roman corrects the journalist by specifying that this measure is an "economic step." The journalist continues by saying that "it may have dramatic consequences for the individual." He also says that opinions differ very much and that the "strongest opposition" comes from the trade unions. After mentioning that the government has asked for special power, he says the government should have asked for Parliament's agreement. Roman says that Law No. 15 provides for "exactly what the government did" and that "this law was almost unanimously endorsed in Parliament."

In connection with a remark which the compensations in question are viewed as too low, Roman explains that the current measures were needed to "stabilize the economic situation." In conclusion, Roman says that the government "has certain instruments at its disposal" and "will use these instruments the moment things seem to get out of hand." He adds: "These instruments exist" and "can be put into operation"; they are of "a financial nature."

PNT-cd Communique on 'Economic Crisis'

AU1311095590 Bucharest DREPTATEA in Romanian 6 Nov 90 p 1

["Communique" of the "Leadership of the National Peasants Christian Democratic Party (PNT-cd)"]

[Text] In the current serious economic crisis, the National Peasants Christian Democratic Party [PNT-cd] considers it its duty to state as follows:

The PNT-cd decisively backs a genuine market-oriented economy.

The economic reform that is needed for the transition to this type of economy cannot be achieved without consulting the nation, and without its agreement and active participation.

We believe that we have NOT reached a vicious circle, as the prime minister recently said.

We believe that to achieve a realistic price system and not just a simple and intolerable increase in prices, the following measures should have been taken:

1. A truly democratic policy should have been carried out so that the economic reform would have been backed by trust within the country; no violence or totalitarian abuse, which led to the annihilation of foreign economic support, should have been committed;
2. Private ownership on lands and enterprises should have been enacted by law;
3. Trade unions and political and civic formations should have been consulted.

It is obvious that the government should NOT have started increasing prices on items for which the announced compensations are ridiculously low.

The current economic policy promoted by the government will have the following consequences:

—A dramatic deterioration of the standard of living and the people's loss of the little money they have saved;

—Social and economic destabilization;

—Compromising the idea of the market economy, the only one that offers a solution to emerging from the current economic depression.

PNT-cd Leadership

Direction of Privatization Process Noted

AU1411214190 Bucharest ROMPRES in English 1903 GMT 14 Nov 90

[Text] Bucharest, ROMPRES 14/11/1990—"Privatization is an issue of interest to us all, as the economic reform has no chances to succeed if private initiative is not given free way, beginning with property itself. It's only an illusion that efficient management will be reached only by granting autonomous status to state-owned enterprises," opines Ilie Serbanescu in his article "Privatization Where To?" published by the weekly "LUMEA AZI" ("The World Today").

"Only a private sector, representative in every kind of economic research"—shows the author—"can do away with the present syndrome of privatization of state-owed enterprises in the supply with raw materials, energy, other materials the country is short of, and that, in fact, slows down the process of resources being channeled towards significant production growth.

While saying that for the reform to succeed the state has no other solution but to give up in favour of the private sector, the author thinks that can be done only in two ways. The first consists of speeding up the action of setting up new private enterprises, with foreign capital contribution included, of taking urgent steps to create the laws necessary in this respect, and of juristically, administratively, fiscally and financially stimulating the possible contractors. The second way, and that is obligatory, is privatization, that is private ownership of today's state-owned enterprises. Considering the existing laws, that amounts to giving the commercial enterprises based on the structure of former state-owned enterprises the possibility of offering their assets to private holders. But the existing laws have blocked the privatization of commercial companies for another nine months. It's a long time—or better said, time enough—for the positive effects of the partial liberalization of prices and of the national currency rate of exchange to be compromised.

The article emphasis that almost 50,000 private economic units have been set up so far, 3,800 of which deal also with foreign trade. But it is not at all encouraging that only less than ten percent of these private enterprises are manufacturing ones. Industrial services represent even less. Most of Romanian private enterprises are, unfortunately, trade units, most of them dealing with re-selling goods the home market is short of.

Assembly Discusses Health, Education, Justice

AU1411085190 Bucharest ROMPRES in English 2348 GMT 13 Nov 90

[Text] Bucharest, ROMPRES, 13/11/1990—The Assembly of Deputies' work continued in plenum Tuesday, November 13. Those present heard the answers of the government, of certain ministers to the questions asked by a number of parliamentarians. Answers were given on account of the government, of the ministries they are in charge with by Bogdan Marinescu, minister of health, Sorin Cristea, state secretary, the Ministry of Education and Science, Victor Babiuc, minister of justice, Doru Pana, minister of public works, transport and physical planning.

As for health, the concern was pointed out to send some people badly injured in the revolution to treatment abroad, to improve medical assistance, conditions in hospitals, the treatment of children suffering from leukemia, to better train the managerial staff of local medical departments.

Referring to education, the interest was stressed, taken in drawing up the new handbook of Romania's history, in giving solutions to the shortage of teachers—especially in village schools—in increasing the schooling capacity, in improving the organization structure of that ministry and in local inspectorates in view of ensuring high professionalism in Romanian language and in national minorities schools.

As for justice, it was said that steps had been taken for ensuring the observance of the law during criminal inquiries, i.e., observing the civil rights of the accused in their innocence assumption, the reorganization of the penal, civil and military courts based on constitutional law regulations, the settlement of the status of solicitors in enterprises and institutions under the circumstances of the transition to the market economy.

As regards the activity in the field of road, rail, air, sea and river transport, the efforts were mentioned for coping with the difficulties caused by the shortage of spare parts, and raw materials for repairs, tires, storage batteries, special mineral oils and fuel.

Police Protest 'Abuses' at Recent Timisoara Rally

AU1511192890 Bucharest ROMPRES in English 1844 GMT 18 Nov 90

[Text] Bucharest, ROMPRES, 15/11/1990—In consideration of the abuses committed during a recent meeting in the Union Square in Timisoara, sponsored by the Timisoara Free Trade Union Federation, and of the fact that after the meeting several hundred persons marched to the Prefect's Office where they set forth claims that differed from those made during the meeting, Colonel Viorel Oancea, head of the local Police Department, asked at a press conference the organizers of the meeting scheduled on Thursday, November 15, by the Civic

Alliance and other associations and societies in Timisoara to take steps and cooperate with the police for a smooth run of the meeting, for order-keeping during and after it, when all the participants should disperse. Colonel Oancea also said he had asked for all that since "as we told the ROMPRES News Agency, we have information according to which individuals go from one enterprise to the other in order to mobilize the people and irresponsible individuals get ready with fighting tools, petrol bombs and other such instruments.

Army Role in Drivers' Strike Called Compromising

AU1311095490 Bucharest DREPTATEA in Romanian 6 Nov 90 p 1

[Roxana Iordache article: "A New Provocation of the Romanian Government—Soldiers Against Drivers?!"]

[Text] The government reform program and the "new platform" of the National Salvation Front propose—as is (already) well known from some of our paper's former articles—the neutralization of the Trade Union Movement, which they view as a potential force of the "Solidarity" type.

As becomes programmatic technocrats, the implementation time—from thought to word and from word to deed—has to be as brief as possible for the sake of our peace and quiet.

Thus, the moment one drivers' trade union goes on strike and another one starts an automobile protest in Bucharest, Petre Roman's government authorizes the borrowing of means of transportation from the Army to thwart the strike.

Furthermore, during a strike and demonstration, a former offer by the Army to participate in the agricultural campaign with their own means of transportation is diverted and turned into a cause for social tension, because in this instance the Army is opposing a particular professional group.

This government measure is designed to put the Army in a position of breaking a strike, thereby causing it to interfere in the activity of the civilian society.

By accepting this measure, the Ministry of Defense compromises its statement on the basis of which it claims to be part of the intellectuals and it especially compromises its last words in a televised live relay of a speech on Army Day: "The Army is with us, with the people!"

If the Romanian people care about their unity as much as they do about the dignity of their Army, we have no doubt that the Ministry of National Defense will know how to solve this delicate situation in which is it involved against its own wishes, which has been repeatedly outlined by the minister of national defense.

Suspended Sentence Pronounced in Sapinta Case

AU1211210490 Bucharest ROMPRES in English 2001 GMT 12 Nov 90

[Text] Bucharest ROMPRES, 12/11/1990—Monday, 12 November, the Brasov County Court of Justice passed the sentence in the case of the mayor of Sapinta, Toader Stetca, charged with offence against morals and outrage. Granting extenuating circumstances for both charges, the court sentenced the defendant to 7 months' confinement for the former and to 12 months for the latter. According to Articles 33 and 34 of the Penal Code the accused will serve the longer term. At the same time, the court exempted him from serving the prison term, in keeping with the provisions of Article 81 of the Penal Code. An appeal can be lodged within ten days.

Iliescu's Meets Japanese Businessmen, Departs

AU1611075590 Bucharest ROMPRES in English 1826 GMT 14 Nov 90

[Text] Bucharest ROMPRES 14/11/1990—On Monday morning, the last day of his stay in Japan, Mr. Ion Iliescu met and conducted talks with heads of Japanese companies that develop cooperative tie with companies in Romania—Mr. Yohei Mimura, president of "Mitsubishi Corp.," Mr. Yotaro Iida, president of "Mitsubishi Heavy Industries," Mr. Keiji Noda, president of "Kenematsu," and Mr. Tomio Tatsuno, president of "Marubeni."

The Japanese collocutors referred to the actions taken in the past few months to identify areas of cooperation with Romanian enterprises and companies. They said they thought of cooperation forms ranging from mere business proposals to the creation of joint companies. Interest was expressed in the terms in which Japanese companies may make profitable investment in Romania. Those companies were shown to be able to offer Romania's industry—enterprises, private companies, autonomous units and commercial companies—various facilities whereby Romania may benefit from key technologies and from the Japanese management system. In that context, the heads of the respective companies expressed their intention to partially or totally undertake certain business operations.

One of the fundamental problems approached was the possibility to implant those companies in the port of Constanta and the Danube-Black Sea Canal, which is a link between central and northern Europe, to thus facilitate the access of Japanese products or of products manufactured in cooperation with Japan to Danubian and West-European countries.

Mr. Ion Iliescu reasserted Romania's interest in promoting constant and many-sided cooperation with Japanese companies.

Both sides expressed the wish to start direct meetings in Tokyo or Bucharest between company executives and experts.

On Wednesday, President Ion Iliescu of Romania, left Tokyo, where he attended the ceremony when Emperor Akihito was crowned, heading home.

Upon departure at the International "Haneda" Airport in Tokyo the Romanian head of state and the officials accompanying him were seen off, on behalf of the Japanese Government by Mr. Tomio Yamamoto, minister of agriculture, and by other Japanese officials. Present were Romania's ambassador in Tokyo, Mircea Mitran, and other embassy staff.

European Parliament Delegation Continues Visit

Meets With Roman

AU1611142890 Bucharest ROMPRES in English 2230 GMT 15 Nov 90

[Text] Bucharest ROMPRES, 15/11/1990—The process of democratization in all domains in Romania, the June 13-15 events and their implications on an international plane, the development of the cooperation between Romania and the European Parliament, including the opening in Bucharest of a cultural and press centre of the European Parliament, the association with the European institutions, the European Economic Community first of all, were the major themes discussed during the November 15 interview between Prime Minister Roman and the delegation for Romania of the European Parliament, headed by Mrs. Maria Adelaide Aglietta.

Prime Minister Roman surveyed the facts and elements related to the complex evolution of the Romanian democratic process, including the objective difficulties resulted from the complete divorce from the old regime achieved by the December 1989 revolution. Likewise, the prime minister expressed full accord with and support to the opening the soonest of the cultural and press centre of the European Parliament, as well as Romania's wish for getting associated, in multiple forms, with the European democratic bodies, a direction in which the commercial and cooperation agreement recently concluded between Romania and the EEC is a very significative moment.

The delegation thanked for the information supplied and stressed that Romania had close friends in the European Parliament, mentioning that the members of the delegation would present to that forum a synthesis, positive in its essence about Romania's current situation.

Confers With Iliescu

AU1611144090 Bucharest ROMPRES in English 0048 GMT 16 Nov 90

[Text] Bucharest ROMPRES, 16/11/1990—Romania's President, Mr. Ion Iliescu, received Thursday the delegation for Romania of the European Parliament led by Mrs. Maria Adelaide Aglietta.

The democratization process in Romania, the June 13-15 events, the development of cooperation between this country and the European Parliament were topics tackled during the talks between President Ion Iliescu and the delegation. Reference was made to the evolution in the democratization of Romanian society and in the implementation of the market economy. On a political plane, stress was laid on the Romanian Parliament's activity in promoting a new, democratic legislation and in working out the principles to underlie the future constitution.

The delegation expressed readiness in cooperating with Romania on a parliamentary line, and in backing this country's efforts for the democratization of political and social life and for international openness.

Meets Opposition Leaders

AU1611144490 Bucharest ROMPRES in English 0901 GMT 16 Nov 90

[Text] Bucharest ROMPRES, 16/11/1990—The European Parliament's delegation led by Mrs. Maria Adelaide Aglietta met Thursday afternoon parliamentary opposition leaders whose message was that Romania could not recover and the Romanian people would suffer a lot unless the Council of Europe and the European Parliament supplied economic and financial assistance.

Several speakers aired their discontent particularly at the "slow" or sometimes "wrong" process of restoring the true values of democracy in Romania.

There were opposition party representatives who said that one could hardly speak of true democracy in Romania, or of a state of law.

The presidency and the executive were harshly criticised during the discussions amid claims for a faster pace of true democratic reforms, for the observance of all human rights, for greater liberalisation and steady assistance to all the press in Romania, for the creation of an independent TV station and for public access within the shortest possible time to the truth about the 13-15 June events.

At the end of the meeting, the guests underscored the freedom and openness of the discussions, and offered ideas and suggestions inspired from the experience of their countries to parliamentary opposition parties to overcome the problems they are still faced with.

Observer Status in OAS Granted

AU1611143090 Bucharest ROMPRES in English 2224 GMT 15 Nov 90

[Text] Bucharest ROMPRES, 15/11/1990—Romania's application for admission as permanent observer of the Organisation of American States [OAS], based in Washington, was approved by the Permanent Council of the organisation on 31 October 1990.

The Romanian Government was invited to appoint a permanent observer and, if it deems fit, one or several assistants.

Iliescu To Lead Group to Paris CSCE Meeting

AU1511215990 Bucharest ROMPRES in English 2126 GMT 15 Nov 90

[Text] Bucharest, ROMPRES, 15/11/1990—At the Paris summit of the CSCE scheduled for 19-21 November, the Romanian delegation , headed by President Ion Iliescu, will include the minister of foreign affairs, deputies, senators. The event will occasion meetings and talks with heads of state and representatives of other states, interviews with businessmen, cultural and scientific personalities.

Among the bilateral contacts envisaged, already agreed upon are the meetings of President Iliescu with Finland's President Mauno Koivisto, Swiss President Arnold Koller, Greek Premier Constantin Mitsotakis. Arrangements are being made for meetings with the Austrian chancellor, the prime ministers of Poland and Denmark, and others.

The Romanian president will take part in a working dinner organized by the French Institute for International Relations. The U.S. State Department conveyed their proposal for a meeting of the Romanian minister of foreign affairs with the U.S. secretary of state.

Roman Denies French Advertising Firm Allegation

AU0911200890 Bucharest ROMPRES in English 1845 GMT 9 Nov 90

[Text] Bucharest ROMPRES 9/11/1990—Regarding the statements of Mr. Jacques Seguela, manager of the French advertising firm that goes by the same name, statements that were published in the "LIBERATION" newspaper on November 2 and referred to an alleged request from the National Salvation Front (NSF) [FSN] to manage its campaign for the May 20 elections, the Romanian Government's Press Office is authorized to state the following: Prime Minister Petre Roman has never asked anyone to contact Mr. Seguela and ask him to manage the advertising or any other such action for the NSF, the Romanian Government or a Romanian political personality.

Mr. Seguela's allegation that pressure was put upon him to deny such contacts is groundless, insofar as he cannot connect them in any way to Romanian activities.

As to the so-called preparation of the TV broadcast "7 out of 7" with Anne Sinclair, we'd like to remind that it was made in Bucharest on January 7, therefore any possible participation of Mr. Seguela is excluded.

To confer a minimal credibility to his statements, Mr. Seguela had the elementary obligation to specify who put pressure upon him and in what circumstances—admitting they really existed—especially when it became clear that they might be even hypothetically linked to the Romanian secret services.

It is at least strange that these alleged revelations, which attempted to be at the same time sensational and compromising, were made six months after the Romanian presidential and parliamentarian elections, when the interest elicited by the event is long dead.

Hungarian Youth Congress Held in Timisoara

AU1311194090 Bucharest ROMPRES in English 1850 GMT 13 Nov 90

[Text] Bucharest ROMPRES 13/11/1990—The second congress of the Union of the Hungarian Youth Organizations in Romania was held in Timisoara. Attending were about 250 deputies, delegates and people invited from all over Romania, and delegates of a number of youth organizations in Hungary. The congressees were greeted by representatives of the youth branch of the Christian-Democratic National Peasant Party [National Peasant Christian Democratic Party], of the Hungarian Democratic Union of Romania [Democratic Association of Hungarians in Romania], of the Federation of the Democratic Youth of Hungary, of the Hungarians' World Organization and of the Hungarian Democratic Union of Banat. Along three days a number of current and long-term issues were debated, characteristic of the youth, of the Hungarian young people living in Romania in particular.

Markovic Delivers Situation Report to Assembly

LD1511120890 Belgrade TANJUG Domestic Service in Serbo-Croatian 0838 GMT 15 Nov 90

[Report to the Federal Assembly by Federal Executive Council President Ante Markovic at the Assembly session in Belgrade on 15 November]

[Text] Belgrade, 15 Nov (TANJUG)—When I addressed this house back in June, the question I asked—What is the future of our country? Will it, as some are forecasting, disintegrate or shall we still be able to muster enough strength to restore mutual trust on new and sound foundations?—was hanging over us like the sword of Damocles. What can one say today, however, when the future of the social reform is under threat and the constitutional-legal crisis in the country has assumed such character and proportions that it raises the question of Yugoslavia's survival in the most drastic way?

The reforms under way have brought about obvious changes in all spheres of our society. There is no doubt that initial results in implementing the social reform have been positive and that they have openly and clearly indicated the gravity of the problems and the depth of the crisis in the country.

Changes in the economic system have profoundly unsettled the previous ideological concept and the political system based on it. The reform has promoted pluralism and equality for all forms of ownership to replace social ownership which formed the material and ideological basis of the system of social self-management. Instead of a consensus economy we have embarked on introducing a market economy model and on replacing social planning and directed economy with the freedom of enterprise and competition.

Changes have also been in evidence in sociopolitical relations despite vehement resistance to objective and inevitable transformation of the old model of the superstructure. Although erratic, changes are now in evidence in all the republics and provinces: From political pluralism and multiparty elections and the organs of authority they helped to install to greater human rights and freedoms and the attitude to the citizen and all his attributes originating from either his property rights and his right to privacy to free choice and thinking.

A new political structure is being created in Yugoslav society at a fast pace. Despite initial shortcomings, the multiparty system has already demonstrated its advantages such as the mass mobilization of citizens in the efforts to find solutions to and a way out of the crisis, and their participation as a political entity in the process of political decisionmaking.

Multiparty elections signify only the beginning of the work on setting up a new political system aimed at developing a democratic society. Changes in the structure of ownership and interests they will generate will create the basis for further democratization through political pluralism. The stronger the democracy and the sovereignty of the citizens, his freedoms and rights, the greater the scope for democratization in society as a whole.

These two processes of change—the constitution of economic and political systems—enable us, based on them and their logic, to more easily define and form new relations in the country, which, proceeding from the sovereignty of the citizen and his freedoms and rights, the rights of nations and nationalities, the sovereignty of the republics and autonomous provinces, will result from the content of the new system and will build on its bases a common state—a new Yugoslavia.

In analyzing the preceding period we assessed all the problems which have accompanied implementation of the reform and influenced its course, trying to control and direct them. I said as early as June that foremost among the factors which have had a significant influence on the implementation and quality of the reform are certain constitutional solutions and the institutions of the system based on them, the burden of out-dated relations, and the intertia and inability to resolve within their framework the inevitable contradictions between the old and the new system, and also the strong resistance to certain solutions and to the program as a whole. Of course, the reasons also lie in the incompleteness of the system and the imperfections in all the economic and social prerequisites for its application, which can only be defined in the process of changes.

We have been aware from the outset of the drafting of the reform that social changes would not proceed easily, the more so since no economic structure has been created which would have a decisive effect on the development of new social relations. Nevertheless, the reform was not in question for a moment. This was confirmed both by this Assembly and by the broad support of the citizens, nations, and nationalities of Yugoslavia and by the praise and opinions from abroad, which were contributed to by the obvious results, particularly with regard to the curbing of inflation, the convertibility of the domestic currency, the establishment of a free market, and so forth.

However, the present situation is such that phenomena of a secondary nature, which inevitably appear in any form process, are threatening to become primary and to endanger the reform as a whole.

This is best shown by the analysis, "The realization of reform and the state of constitutional and legal relations in the country," which was presented by the Federal Executive Council [FEC] Assembly. Its results are an alarming warning and indication of phenomena which are threatening the functioning of the system in all vital areas, holding up the implementation of reform.

It would be logical to expect problems. They necessarily accompany the process of transformation from the old to the new. It was inevitable that the course of the reform would face obstructions of an objective nature. Overcoming the inertia of the old system has its necessary

economic and social price and we were aware that this price had to be paid. Phenomena such as the decline in production, the standard of living of a section of the population, or the growth in unemployment, accompanied by the corresponding social tensions, only confirm this. We were prepared to face such problems and have prepared a policy and appropriate (?changes) in the mechanism needed to lessen their severity.

Among the factors which affect the quality of the realization of reform, there are also those which could be described as subjective, whose influence is naturally also not small. Since the changes in the old relations inevitably encroach on the interests of certain structures of society, because the division of power in any society is based on a certain type of relations, it was to be anticipated and expected that there would be resistance of "political" [words indistinct] structure, the strength of which is based on a monopoly such as can only exist in conditions of a monotype ownership structure and whose interests were brought into question by the reform, that they would react and oppose the reform.

Since their political power and influence are still strong their reaction has become the almost principal characteristic of the situation in the country and has threatened to block the system and, by implication, the reform processes and eventually to lead to the collapse of the entire system.

There are attempts to halt the reform processes at any price. To this end no device is being spared: From blatant violations of the Yugoslav Constitution and the federal legal system to the blockade of this system with regulations and measures enforced, unfortunately, by the very state organs in individual republics which are expected to safeguard and implement them. These, in fact, are attempts at any price to give legitimacy to and to safeguard the existing power structures and the relations which sustain them and their policy.

How else can one explain the fact that a packet of proposed amendments to the Yugoslav Constitution submitted to this Assembly by the FEC as far back as December 1989 has not yet been adopted although, in view of the situation in the country, it was necessary to adopt the proposed changes in the first half of 1990 in order to secure the necessary constitutional bases for continuing the reforms.

At the same time the very same republics which failed to endorse the proposed amendments have already carried out changes in their own constitutions. This will, or rather, can have far-reaching consequences for relations within the federation and for its functioning.

Regardless of differences between them and the gravity of their solutions and of the points of departure and reasons used to explain them, legislative acts adopted by the top organs of the Republics of Slovenia, Serbia, and to some extent Croatia will inevitably lead to further deterioration in political relations in Yugoslavia and pose a direct threat to the country's survival.

By its declaration on the sovereignty of the Slovene state and its constitutional amendments and other legislative acts Slovenia has given primacy to the republic's regulations over the federal ones and has declared invalid all federal laws which are in collision with those of the republic. In other words, federal organs are instructed to operate on the republic's territory only in accordance with the existing legal system of Slovenia. A large number of issues of national defense such as the method of serving military service, military service in general, the territorial defense command, and so on directly block the federation's powers in this sphere and undermine relations in the federation considerably.

A number of provisions in the Serbian Constitution, in particular those concerning the republic's status, its rights and obligations, the powers invested in the republic's organs and in the president of the republic, the status of the autonomous provinces, the socioeconomic system and property rights are to a large extent in collision with the SFRY Constitution and relations in the federation. True, the Constitution of the Republic of Serbia stipulates that the Republic of Serbia is a part of the SFRY and that the Republic of Serbia will exercise its rights and perform its duties in accordance with the SFRY Constitution. This definition, however, does not exclude the possibility of the republic's constitution being in collision with the SFRY Constitution since it provides scope for different interpretation of competence of the republican and federal organs.

Amendments to the Constitution of Croatia contain solutions which can be interpreted as being in collision with the SFRY Constitution and constitutional amendments.

As the FEC stated at the time, the declaration of the so-called Constitution of Kosovo and the Republic of Kosovo adopted at a secret session of delegates of Albanian nationality was an act contrary to the SFRY constitutional system and can seriously threaten the territorial integrity of both Serbia and Yugoslavia.

It should not be overlooked that Bosnia-Hercegovina, Macedonia, and Montenegro, which agreed to the draft constitutional amendments, have, through changes in their constitutions, taken on board solutions from the draft amendments in the sections on the equality of all forms of ownership, the introduction of political pluralism, and the extension of human and civil rights and freedoms, without thereby altering relations in the federation. If, however, the amendments to the SFRY Constitution were not adopted, there would be discrepancy between these amendments and the provisions of the SFRY Constitution, even though circumstances called for them and practice has already sanctioned them.

Failure to apply, and the blatant violation and suspension of federal legislature are present in all areas of the economy and social superstructure.

The execution of the functions of the federation in the sphere of national defense, internal affairs, the judiciary, as well as in the sphere of financing the federation and the under developed republics and Kosovo, the taxation and monetary system, and economic relations with other countries are all being suspended. It would take a lot of time to enumerate all of the suspended laws and all of the solutions, and in particular the consequences of this crude violation and the failure to apply these regulations.

In addition to the suspension of federal regulations in the area of the so-called classic functions of the state, the roughest attacks have been against the very regulations which are facilitating the further course of reform.

Serbia has adopted a large number of laws and other regulations which, contrary to the SFRY Constitution, limit the exchange of goods and services, thereby seriously damaging the functioning of the market, and the interference of state organs in economic currents is threatening to block the Yugoslav market and foreign trade relations, cause an administrative rise in prices, and endanger the standard of living of citizens.

Slovenia has also adopted certain general acts which threaten the single Yugoslav market.

The introduction of any import barriers, taxes, and duties in defiance of federal organs are illegal and are a flagrant violation of the regulations of GATT, of which Yugoslavia is a member. These decisions are incompatible with the policy of the reforms adopted in the Yugoslav Assembly which made possible the liberalization of more than 90 percent of prices and foreign trade and which ensure high foreign currency reserves, and reflect negatively on the country's international reputation.

Since these decisions, particularly those of the Republic of Serbia, run counter to the functioning of a single Yugoslav market and lead to its disintegration, the administrative raising of prices and a threat to the living standard of consumers, the federal secretary for trade has been ordered to ensure the free circulation of goods and services on the market.

Examples of the crudest violation and nonimplementation of federal regulations are even more pronounced when it comes to acts which are passed on the basis of federal laws by the FEC and federal organs of administration.

It has been established that in the republics I have mentioned and in Vojvodina, funds from basic sales tax and customs duties which belong to the budget of the federation have been transfered to special accounts. In Slovenia and Vojvodina funds have been withheld from basic sales tax, and in Serbia from basic sales tax and from customs duties. In this way the federal budget has not received funds amounting to a total of almost 2.6 billion dinars, of which 2.14 billion dinars falls to Serbia, 293 million dinars to Vojvodina, and 164 million to Slovenia.

For some time now, not all competent republican and provincial bodies have been carrying out their constitutional and legal duties with regard to their contribution to the fund for stimulating quicker development of the economically undeveloped republics and Kosovo. At the same time, orders to block their accounts have not been enforced. Hence, money owed to the federation amounts to 5.12 billion dinars, inclusive of October. The political and economic consequences, as well as the mutual distrust arising from such conduct, are many-sided.

At the same time a bank under liquidation—the Kosovo Bank in Pristina—has been still issing money from the primary money-issue, which is contrary to the law on the National Bank of Yugoslavia.

Because of all this, the FEC decided to set in motion with the Constitutional Court of Yugoslavia a review of the constitutionality and legality of laws and other legal documents adopted by the Slovene and Serbian Assemblies which regulate issues pertaining to the Yugoslav market, the export and custom systems, turnover tax, etc, and of the Croatian Government decree on property relations, all of which contravene Court of Yugoslavia should issue an injunction on all documents, that is, actions adopted in line with regulations whose constitutionality and legality are being reviewed until a final decision is made, because their implementation would cause unforeseeable damage for the entire country. The Constitutional Court of Yugoslavia issued an injunction on all decisions to raise the price of gasoline, which contributes to the strengthening of constitutionality and legality.

The FEC charged the federal administrative bodies, their inspectorates, and other departments to step up supervision over the implementation of federal regulations and to file charges for criminal and economic offences in all cases when federal laws are breached. It also asked the Federal Prosecutor's Office to take measures so that competent public prosecutor's offices could efficiently and legally prevent and prosecute offenders against federal regulations. To secure the consistent implementation of decisions and measures in the field of monetary and foreign currency policy, the FEC asked the National Bank of Yugoslavia to establish direct control over the republican and provincial national banks. The National Bank of Yugoslavia will report regularly to the SFRY Assembly and the FEC.

The FEC is resolute in its intention to not allow the willful appropriation and spending of funds belonging to the federal budget, because such conduct is blocking the implementation of vital functions of the federation, especially in the field of national defense, obligations toward the undeveloped areas, agriculture and export subsidies, social programs, funds for the welfare of war veterans and invalids, and army pensions.

Proceeding from the package of reform measures, the FEC urged the development and functioning of a modern and efficient state. We especially emphasized the need to deliniate the areas where state interference is inappropriate—

hence, the social and economic spheres were deregulated and liberalized to a considerable extent—and, where it is necessary, social security, the protection of civil liberties and rights, etc. We also stressed at the same time that the state must take on new powers, especially in the sphere of macroeconomic policy (monetary, fiscal, and foreign relations) to create the conditions for uninterrupted functioning of the market.

However, as the process of reform and the weakening of state intervention at the federal level unfolded, a strong tendency to preserve and develop state administrative functions became with time increasingly prominent at republican level. Hence, two opposing tendencies are in evidence: On the one hand, the process of transforming state functions, activities, and state bodies in keeping with reform needs and market economy is unfolding at the federal level; on the other hand, the return to classical state functions, which would among other things "protect" the economy from unfair market influence, is increasingly prominent in republics. If such state "protection" continues, it would bring republican and provincial economies into collapse, into "new" centralism, old sins of inefficiency, unprofitability, and lack of competition toward world markers. We must draw attention to the fact that the goal of market economy on the one side, and on the other side state-owned economic subjects, the practice of printing money, covering up unprofitability by way of state intervention, through the distribution of wealth and covering up losses, are incompatible. We can freely say that the so-called liberalism is not putting our reforms in jeopardy, but fragmentation and proliferation of drives toward new republican centralism.

All of this indicates that the implementation of the reform in all its seriousness and gravity has put on the agenda the need for a radical reorganization of the state at all levels.

In keeping with the market economy, the republics and federation have a completely new role: Within their field of competence and through macroeconomic policy, they should create the conditions for a successful overall development, they should have a stimulating fiscal policy, remove all kinds of obstacles in the way of free economic activity, and take special care for the development of infrastructure, education, science and culture, and for enviromental protection.

Both the federation and the republics should have in view the goals of the integral market, protection from monopolies, an active attitude toward restructuring of ownership, and so forth.

As for functions at the level of the country which are necessary for the functioning of the integral market, there is a minimum without which there can be neither market economy nor market development. The decision to have a single market, common customs borders, and a single currency are defining the scope of systemic issues, macroeconomic policy, and a special current economic policy, which is necessary for successful business activity and development, for keeping the economy in a stable condition and in a state of liquidity both within the country and toward foreign countries, and, finally, for rights of the community with regard to the protection of civil rights.

Apart from the mentioned direct breach and suspension of laws, the opponents of reform and a peaceful, democratic resolution of the crisis are trying to create a situation as complex as possible and to rechannel enormous social energy from reform, democracy, and development into emotions and other irrational things.

Some forces are trying to halt the social reform and redirect it either toward a return to statism or to creating relations most favored by players in the game.

On the basis of information available to the FEC, we assess that the current situation in the country is extremely unfavorable. It is characterized by increasing nationalism and separatism, and an alarming level of worsening intranational relations, which is being increasingly manifested in cases of violence and serious threats to public order and peace and the security of citizens.

Certainly, the major center of conflict in the country, in terms of its possible political consequences, is the situation in Kosovo. Both as a result of its long duration and the exacerbation of intranational relations, it has come to complete national homogenization, division and antagonism, to widespread obstruction of the provincial organs of Kosovo, whose functions have been directly taken over by the organs of Serbia. The drama of the situation in Kosovo is heightened by the almost catastrophic material and financial situation with social consequences which are difficult to foresee.

The FEC has judged that the problems in Kosovo must and can be resolved only by realization of the reform program, the democratization of social relations, multiparty pluralism, and the holding of the forthcoming multiparty elections, because this alone facilitates the realization of the constitutionally guaranteed rights of citizens and the fulfillment of the interests of all nations and nationalities in Yugoslavia. In this way the conditions would be created for the elimination of the reasons which led to the cessation of the work of the Kosovo Assembly and Executive Council, and thereby for the unblocking of many processes at the Yugoslav level, and above all for the normal functioning of the SFRY Assembly.

Apart from Kosovo, crisis hotbeds have also been created lately in some other parts of the country. In some parts of Croatia, primarily inhabited by people of Serbian nationality, and particularly in the Knin region, the rash and radical moves of the new government have given rise to dissatisfaction and anxiety among a section of the population. This coincided with the aims of

extreme Serbian nationalists to initiate and carry out illegal activities which have had and can still have unforeseeable consequences. As is known, the FEC also played an active part in calming the situation which arose, and it will continue to engage itself in establishing the normal functioning of the political and legal system by peaceful democratic means.

The FEC notes that the unilateral unconstitutional acts and practical behavior in certain republics which are breaking down and destabilizing the defense system of the country, are in fact producing opposite effects and are objectively hampering its reform and rationalization. Therefore, the arbitrary creation of republican armies and the illegal creation of armed formations of any kind are impermissable and dangerous and are in essence a negation of the democratic processes in the name of which they are being carried out.

In short, instead of threats from any side, the solution is only to be found in rational, tolerant dialogue and coexistence. There is, simply, no price which is more important than the freedom of citizens, human rights, security and peace for every individual and nation as a whole, the opening up of full democracy for citizens regardless of their nationality.

No one, simply, has the right to incite for the sake of power and personal interests old fears and hatreds, to resurrect wartime axes to grind, and lead the people into bloodshed.

All of these challenges to the implementation of reform and divisions which I have discussed have led to the complete fragmentation and division of the information sphere and to a real media war. It is simply the "logical" extension of these processes.

Some public information media channel their work into the propaganda of individual political options completely blocking even the flow of information which is at variance with the political objectives which they represent. In their hands public information media have changed into unscrupulous and relentless instruments threatening the constitutional right of our citizens to timely, unbiased, and comprehensive information.

Persistent efforts are made to discredit the work and the results of the FEC with lies, falsehoods, accusations devoid of any argument, disinformation, insults, slanders, and blockades aiming at divorcing the FEC from the public and making it impossible for our citizens to get to the truth. It is not difficult to fathom out the objectives of these attacks. Our reform is under attack—a false picture has to be made in the public about its results and consequences; it has to be shown how it is directed against individual nations and nationalities and their economies and interests and how it is taking the country into disaster. In the foreign-political arena this unsparing media war has the aim of weakening the support which the international public and the most influential international political and economic factors offer the reform program and the FEC.

In these conditions the FEC is trying to create the legal and economic conditions for a successful democratic transformation of public media, the proper establishment of a rule-of-law state, the multiparty system, the market economy, and other reform principles which must be complied with in the context of press, radio, and TV activity.

Within the ambit of our commitments we undertook other measures to ensure the constitutional rights of Yugoslav citizens to be informed without bias about the events and processes which are of vital interest for every individual and to provide a chance of being integrated into the European and world information regime. Federal public media are under training at the moment to enable them to carry out their function as efficiently as possible—this Assembly, as their founder, has been informed about this.

The start of work of Yutel must be considered in this context. We believe that Yugoslavia needs, among others, an independent, nonparty, and objective professional TV which will meet the interest of our citizens in information over the entire Yugoslav area, and this too is the result of the reforms we are carrying out.

We cannot realistically consider the overall situation in our country today if we do that without reference to the strong processes of deep-seated changes which have engulfed Europe. In our attempt to become incorporated more fully in the positive processes and integration groupings we must consider how others see us and what we should be like to become incorporated in new historic developments.

It is time we faced the fact that the people abroad see us as one of the main points of crisis in Europe and views are present in the state and political structures in Europe and the world that Yugoslavia is on the brink of disintegration and civil war.

Do we have the right to close our eyes to the many messages that in the Council of Europe, in European integration groupings, in the CSCE, and in international organizations there is room only for a democratic, parliamentary, and reformed Yugoslavia.

It happens with increasing frequency that even the high-ranking representatives of some republics—while on their visits abroad—talk as if Yugoslavia no longer existed. Fortunately, they do not find a sympathetic ear and these visits usually end without success for these representativbes and whiners and with detrimental effect for themselves and the country as a whole. Otherwise, we have nothing against direct contacts between republics and foreign countries.

We can only achieve success if we reaffirm ourselves in practice as the integral part of a natural process of fundamental transformations in Europe and the world. No one can disregard or overlook this law of nature.

Every other approach would plunge us into an even deeper crisis and lead us further from the processes currently underway in our country. Ultimately, we would very quickly destroy the credibility which the FEC still enjoys, being the exponent of the concept of our reforms, not to mention financial and other material consequences.

We cannot run away from the truth that it is our behavior at home which in fact blocked the process which had already begun for initiating talks with the EC about our affiliation to and, later on, membership in the European Council and the OECD, as well as for the complete opening up of the international capital market to our economy. It must be pointed out though that a decision was agreed at the meeting of the mixed Yugoslavia-EFTA [European Free Trade Association] committee, which has just ended, about negotiations for reaching an agreement on the establishment of a free trade zone beginning 1 January 1992. This is the first, but also very significant move toward our institutional integration within the European economy.

Only Yugoslavia as an entity based on market economy, political pluralism, and democratic rights and freedoms for citizens—of which the solution to the Kosovo problem is a part—can open its doors to Europe and its integration processes. It is up to its republics and nations how they will agree on this matter and how they will regulate mutual relations. Yugoslavia is capable of achieving this and Europe will help it along, but that same Europe cannot do it for us if there is no internal will or readiness, and if the action of political forces is not organized. To prolong the state of chaos would only threaten to turn Yugoslavia into an element of the "Balkanization" of Europe, instead of it being an active element of the "Europeanization" of the Balkans.

All that has been said so far about the process of changes under way in the country, about the danger of the secondary consequences of a positive reform process assuming primary importance, and the attempts to block the system, will evidently lead to its erosion and collapse and will face us with two options: either the disintegration of the country or dictatorship. How to emerge from such a situation? Before outlining the FEC's answers to this question allow me to provide a number of other explanations.

Our society is going through a transitional period. The old system, with no capacity to resolve existing contradictions, must be changed irrevocably. Under the law of history it must be replaced with a new system. The process of introducing this new system has already begun. How long this process will have to last will primarily depend on whether it is allowed to develop spontaneously with objective necessities as the main motivator, or whether it will be subjected to controls and rational directive. In both cases the economic and social price I mentioned earlier will have to be paid, but in the case of the latter this price will be considerably lower.

In the course of the work on the reform program we never, not for a moment, believed that transition from the old system based on consensus economy and the primacy of politics over law to a new one will be an easy task.

Precisely for this reason we continued to warn that without the necessary channelling of this process and without the appropriate economic, political, and constitutional-legal framework and a climate conducive to overcoming the old system gradually and introducing the new one in stages and continually, a vacuum would inevitably be created and the total disintegration of the system would not be far behind. Even at that time we knew that it was necesary to establish frameworks for a transitional period which we in fact entered when we decided to embark on economic reforms.

A rational approach to managing the system in a transitional period calls for the highest possible degree of responsibility from all relevant factors. Under such circumstances it is necessary to overcome the inertia of the old system and to outline the new one. This is much more difficult than in an established and relatively stable system.

It is not just a question of willpower to set up a modern, economically efficient, free, and democratic society linked with world integration processes. For this we need time and adequate material, this is, economic preconditions. Apart from these preconditions, it is necesary for a society to be capable of resolving its contradictions in a democratic way, and not through political pressure. Only the democratic way of resolving contradictions can be viewed as legitimate by the democratic public. More importantly, such a method of overcoming contradictions is the only possible way in our circumstances. If in our activity we ignore the demands of the transitional period, then inevitably we shall find ourselves in an atmosphere of opposing interests, we shall lose the ability to control changes, and we shall enter a period when it will be impossible to resolve through democratic means the contradictions which need to be resolved.

Because of all this, it is paramount to discover a way and means of finding a way out from the existing situation and constitutional-legal blockade, that is, how to create the necessary conditions for the crisis to be resolved. The existence of Yugoslavia and of each federal unit, their individual economic prosperity and safety is at stake. Namely, what is a stake is the fate of a specific country in the world whose nations are almost destined to answer the question of whether human societies are capable of creating a new system through reforming the old one or does the fate of political systems and the future of human societies depend on chance and violence? The answer to this question, whether we want it or not, must be provided now. A wrong choice could be fatal for all our nations.

Our situation confirms that we must first ensure that the formation of the economic system in the country is taken

a step further. Ownership is the foundation of the system. When entering deeper into the process of changes, it is necessary to develop ownership democracy, which will speed up the process of transformation of the existing system of ownership. Multiparty elections in themselves cannot reflect any other relations than those dictated by the economic system on the basis of which political forces—irrespective of which ones are in question—build their power.

Changes in the economic system must be accompanied by changes in the democratic and political system, because they are interconnected and interdependent. This can best be seen from our example. At this stage of our development, the process of changes of the economic system has advanced far, but it cannot be developed further until an adequate political system is found.

On the basis of these two processes of changes and their internal logic, we shall be able to define the process of developing new relations within the country and of developing a common country, which—whether we want it or not—we cannot build until we are able to define its new contents and until that new system provides answers.

The present constitutional and legal frameworks are no longer appropriate for the phase which we have reached in the transitional period of the formation of a new system. Life has, in many elements, superseded the existing solutions of the SFRY Constitution, and the reform process, in blazing a trial for itself, has disclosed many weaknesses in our society; it has indicated numerous ways out of these weaknesses, but it has in fact to a large extent come into conflict with the existing constitutional and legal framework. Hence the conflict between the new and the old, the cracks and rifts, the breakdown of the system, the increasing fragmentation of interests, and separatism on the one hand and unitarism on the other.

All this indicates that we are facing the adoption of historic decisions, on which not only the future course of the reform but also the survival and future of Yugoslavia depend. The collapse of the system must be prevented, a resolution of the present crisis must be reached, and the future course of the reforms which will take Yugoslavia into a new phase of development must be made possible.

Aware of its responsibility before this Assembly, as the highest representational body in Yugoslavia—the representational body of all its citizens on the one hand, and of its federal and autonomous units on the other—for the sake of the country's future, the EEC firmly believes that we will not err in our choice if we percevere in the orientation and implementation of the program of reform which we have proposed and this Assembly has endorsed.

A peaceful and democratic method of resolving the crisis is only possible if the continuation of the reforms, which have already yielded results, is guaranteed, and if the processes of positive changes which these facilitate both in the system as a whole and in each of its parts, are speeding up.

In these frameworks and on these bases, it is possible to perceive and define more clearly the future structure of the country, since permanent and ideal models of state systems do not exist, any more than do ready-made models for any system. The form of the structure of any state—complex structures in particular—is constantly subject to alteration and improvement in keeping with the demands of the times and the interests, desires, and wishes of both the citizens themselves and their communities. What is significant and of decisive importance in our understanding of the future of Yugoslavia is that mankind is, in spite of everything and despite all obstacles and resistance, in a phase of repprochement and integration. The world is increasingly uniting, and states are dependent on each other. If the volume and value of trade between states of all continents is growing daily, if state borders are being crossed almost freely and without any formalities, if states in particular regions are organizing themselves increasingly closely together, and even regions as such are drawing mutually closer, it is clear that in the framework of Yugoslavia—as a single international legal subject—there is no room for building and setting up internal barriers and divisions which would be a hindrance to integration and cooperation between its nations.

To ensure these trends, it is essential first of all to adopt the amendments to the SFRY Constitution. That their adoption is possible is best affirmed by the decision of the Federal Chamber which adopted these amendments without a single contrary vote.

All the analyses we have made so far show that the amendments to the SFRY Constitution could provide an adequate constitutional, legal, and political framework allowing the incipient social reforms in our country to continue through parliamentary methods and through consolidation of democratic methods. New efforts must therefore be made to have the amendments adopted in entirety, and the FEC has already begun talks on this with the executive councils of the republics and provinces. If this is not possible, then, without interrupting the continuity of the discussion, the amendments should be adopted in the best form possible at this stage while all other outstanding issues should remain a topic during the next stage of discussion, after the elections. It is especially important to adopt the amendments that refer to changes in the political system, because they will make it possible for multiparty elections to be held throughout our country. In this way we shall get not only a constitutional-legal framework, but also a parliamentary system based on multiparty elections which will make it possible, on the basis of an agreement between legitimate representatives, to seek a reply to the questions which the adopted constitutional amendments were unable to provide.

Any delay in resolving the constitutional-legal framework issue amounts to halting the reforms, which could have serious consequences. Any attempt to obtain a constitutional-legal solution in a way which considerably precedes or is running counter to the processes of the reform would entail the same consequnces.

I think that in this context the only thing that can logically be insisted on is that the development of a system outside the democratic and parliamentary institutionals should be prevented. The existence of the SFRY Assembly and its unhampered working, and also those of the FEC and of other organs of the federation, are indispensable conditions and guarantees for the implementation of the reform of our society in a democratic and peaceful manner, in all the areas of our country and in Yugoslavia as a whole.

Multiparty elections will make it possible for newly constituted assemblies to mainly direct their activity, during the ensuing period, into the further implementation of the incipient reforms by arriving at a democratic agreement on the future system in the country.

While solving the current crisis, we must proceed from the fact that Yugoslavia exists as an internationally recognized legal subject and constitutionally defined state community. Therefore, one can decide about changes to relations in the federation only along the constitutionally endorsed procedures, and not through one-sided acts.

The FEC assesses that it is possible to reach an agreement on the issues that ought to be the contents and essence of relations in the Yugoslav community.

The FEC's commitments are known regarding the basic principles upon which future relations in Yugoslavia should be based. The FEC advocates Yugoslavia as a modern and efficient parliamentary state within which Yugoslavia's citizens will be provided with economic and social security and be at the heart of social and political life.

I believe that only democratic and parliamentary changes can give us the support of the whole progressive world, something that can be also expressed in material terms. The results so far in the implementation of the social and economic reform provide sufficiently for the further construction of the future vision of Yugoslavia as a modern, economically efficient, rule-of-law state which will, by virtue of its legal system and advanced social relations, become an equal partner of European countries and the world.

The adoption of the constitutional amendments will also require new legislative solutions whose adoption will supply answers to many current questions. The adoption of the law on electing and recalling deputies to the SFRY Assembly is of particular significance, given the fact that extending the mandate of delegates to the SFRY Assembly is necessary even after 31 December 1990. The mandate of delegates to the SFRY Assembly as well as that of the FEC should be extended, as was done in March this year, on the basis of the constitutional law rather than on the basis of article 308 paragraph 1 of the SFRY Constitution, which is administered in connection with the existence of a state of emergency.

The FEC stresses once again that in the coming period it is necessary to:

—Ensure the adoption of the amendments to the SFRY Constitution and pass new laws within a certain time in keeping with the changes introduced by these amendments, whereby the necessary constitutional and legislative framework will be created for the process of further democratic changes. In the meantime, the existing constitution and legislation must be respected so as to prevent breaches in the legal order and the economic and legal system and the chaos which may beset us—something every civilized state and society try to avoid at all costs.

—Ensure the functioning of the SFRY Assembly and FEC and the exercise of the functions of the federation's other organs until the SFRY Assembly is constituted anew on the basis of multiparty elections, since this is the necessary precondition and guarantee for carrying out the reform of society in a democratic and peaceful way in each part of the country and in Yugoslavia as a whole.

—Organize and carry out free multiparty elections in all the republics and provinces, as well as those to the Federal Chamber of the SFRY Assembly, in a democratic and peaceful atmosphere free from political and national tensions.

—Stop passing one-sided legislation that implies future solutions and amounts to changing the relations endorsed by the SFRY Constitution, and also passing and administering regulations and taking measures contradictory to the SFRY Constitution and federal legislation.

—Refrain from threatening anyone or everyone with force, thus contributing to the development of a democracy of tolerant relations which faces different ideas and interests regarding the future constitutional setup of the country.

—Ensure that all federal organs comply with the functions and means envisaged by the country's legal system for the purpose of exercising the Constitution and administering federal legislation across Yugoslavia's entire territory.

The program of stabilization which we drew up and started to carry out last year is yielding excellent results.

Since the very beginning, though, its implementation has had to face extremely serious circumstances. One could no longer wait for a political consensus. The only possibility left was to achieve it by a program, that is, by its implementation. This consensus, however, was not

secured fast enough and as a result numerous disturbances occurred. In addition to this, many of the instruments for managing the implementation of the program were, and still are, beyond the control of federal organs. Although impressive, particularly in the first six months of this year, the results have not attained the level such a high-quality program could have attained had its consistent implementation been secured.

The lack of consensus created difficulties right at the start of the implementation of the program. The forced adjustment of incomes and prices undermined its initial effects to a certain extent. Nonetheless, the program started, just as we expected, to generate the needed agreement. In a sense it was in effect, albeit tacitly, achieved in the first few months of this year. In the second half of the year the willingness of the country's political forces failed to materialize, particularly after the June package of measures was proposed to the SFRY Assembly. This focused, as you know, on the restructuring of ownership; the restrictions on personal incomes were abandoned as well as most of the remaining price controls.

The convertibility of the dinar was the mainstay of the December measures. In the June measures this mainstay role is assigned to the launch of the restructuring of the economy. The transformation of society and the economy depends on the success of this endeavor because it provides a new legal basis which can meet the demands of the market, particularly the capital and labor market. It has conditionally provided a new management structure, a new banking system, and new management instruments in broader social enterprises, all the way up to an organization which meets the needs of the market economy and a rule-of-law state.

The December measures contained the first comprehensive concept of macroeconomic policies—strong monetary policy, liberalization of foreign economic relations, and initial changes in tax policy, including the new role of the federal budget as an element of economic stabilization. The settlement of public debts and the complete differentiation between tax and monetary spheres has also been taken over. [as received] Although the banking system has not yet been reorganized and the tax system has not yet been updated, this package of measures marked a definite transition from direct state intervention and economic management to macroeconomic and indirect regulation of economic trends with the aim of maintaining the economic balance and creating the necessary general conditions for successful microeconomic activity.

These two apparently opposite policies, when combined, lead to raised efficiency of economic activity and, by means of macroeconomic policies, create an atmosphere of economic necessity and strong parameters which force everyone to turn to himself and the market and also promote a continuous rise in productivity and general economic rationality, as a condition for achieving a production result, that is profit.

The former ownership structure, the preservation of inherited management mechanisms through sheer inertia, and the absence of developed market institutions have been reflected in the resistance of economic subjects and banks to inevitable changes. Considering that the transformation of the inherited economic system is a long process, the resistance is of a permanent nature, but the value of transition to a new system is increased in the course of implementing such reforms.

Political factors, in their turn, disregarded reform changes and even fomented resistance to them. In so doing they proceeded from their own narrow-mindedly perceived interests, the preservation and monopoly of the privileges they had attained, and different attitudes toward the market, ownership, and other crucial reform issues either by putting these issues in the margin of their plans because of their ignorance or by deliberately giving priority to the political questions of reshaping the country. This resulted in the reform changes being neglected or being threatened through an entirely different approach to the ownership restructuring and other forms of restructuring of the economy in our society. It is not difficult to realize that this line has brought about many political problems and considerable deterioration in the economic and political situation in the country.

These sections of management structures which do not strive to make a contribution to increased productivity and efficency, higher exports and consolidation of the competitive ability of their enterprises will have to be changed next year. It is precisely new enterprises, especially small and medium-sized ones, transformed enterprises, and social ownership which could employ hundreds of thousands of new workers, and by so doing facilitate the process of the restructuring of the enterprises in social ownership.

The inherited ownership structure and the resulting organization of the economy has seriously hampered the establishment of optimum relations within the distribution system, their control, and their adaptation to stabilization demands.

Instead of the system of establishing and distributing personal income supporting the process of the change of social ownership to private ownership, as proposed by the FEC measures, because of a lack of readiness on the part of political factors to engage in constructive cooperation, both wages and public expenditure—which is largely fuelled by personal income—went through the ceiling. For instance, in the period between June and the end of October this year about 19.5 billion dinars were paid out as net personal income, which is approximately $1.8 billion up on what had been envisaged by the stabilization program and on what the revenue in fact permitted.

Under pressure from illiquidity in the economy, and to slow a further downturn in production and to help agriculture and tourism, a tight monetary stance was relaxed in the middle of the year. Coupled with the lack of discipline in banking and financing, funds were used for expenditure and

not for production and furthering of the economic activity. At the same time, demand outstripped supply, while there was growing pressure to give up the economy of demand and supply and to reintroduce the protection of monopoly structures in our economy.

These difficulties are additionally augmented by the following factors: the Gulf crisis, which is costing us in real terms $1.3 billion this year, and drought which caused an estimated $1.7 billion in agricultural losses. To this we should add repayment of our debts to international creditors to the tune of $1.2 billion, and the increasingly unfavorable political situation in the country.

These tendencies led to internal tensions, and put pressure on us to give up the reforms, and in particular their anti-inflationary aspect. Public expenditure and wages are continuing to grow above the permitted and—bearing in mind available supply—tolerable framework. Investment activity and foreign investment fell due to caution and distrust in Yugoslavia, as a result of the worsening political situation. As a result of this distrust abroad, fianancial and banking institutions in the world are not prepared to invest, to provide guarantees, and even to acknowledge confirmation of letters of credit. They are obviously waiting to see the outcome of the situation in our country.

To make matters worse, we also have interruptions in financial movement, blockades in the banking system, isolationism within ever narrower boundaries—which is leading in essence to the fragmentation of relations—and usurpation of the financial, banking, and even monetary spheres. This is being done in the supposed interests of individual parts of the country, enclosed in separate entities, by disrupting the market and halting the flow of goods and services. Of late, however, this has reached such an escalation, manifest in the completely incomprehensible introductions of internal customs duties, taxes, import restrictions and additional taxation, that from the economic viewpoint it is generating a new hike in inflation and is in fact threatening to jeopardize not only the reform, but also the entire system and the survival of society as a whole.

This uncontrolled and at times literally chaotic trends in the area of distribution have led to the financial draining of the economy and banks, the drastic spread of illiquidity, and general lack of discipline in meeting mutual commitments. Because of their own dinar illiquidity, many banks have not succeeded in promptly meeting the demands for purchase of foreign currency, and in particular, for the issue of securities. Symptoms of lack of confidence have appeared, which is hampering the financial situation even further.

This problem demands that I should dwell a little longer on it. The continent attacks on the dinar exchange rate policy and pressures for carrying out a devaluation, and in particular the unfavorable political circumstances in the country, have given rise to anxiety among the population which is converting dinar savings into foreign currency savings, and is withdrawing foreign currency, keeping it at home, or transferring it abroad. This has brought many banks into difficulties because of illiquidity, and the consequences are that they cannot meet the citizens' demands.

If our citizens were to convert all their dinar funds into foreign currency, they could not threaten our country's foreign currency liquidity, and surely they need the dinars to live! The message I can give our citizens from this place is: foreign currency is available, buy it freely if you need it, but please do not hoard it because it is no use to you there and it greatly harms the state.

The ultimate consequences of all this are the latest moves of individual republics which lead to a total collapse of the legal system of the country because they have usurped the right to block the resources of their joint state and shift them into other areas. This only deepens the economic crisis in the country.

If these tendencies continue next year, then not only will we be unable to maintain our basic commitments such as a low rate of inflation and the convertibility of the dinar, but a drastic fall of production and social product, rapid reduction of foreign currency reserves, and economic collapse will occur, which would entail exceptionally unfavorable social, economic and political consequences. Considering, for instance, all the commitments which the adopted laws and legal enactments have imposed on the economic market factors in Serbia and Slovenia, we see that the resulting retail price increases throughout the country will be of the order of two to 2.5 percent, while the prices of agricultural and food produce will go up by six to seven percent. Retail prices in Serbia will increase four to five percent and the prices of agricultural and food produce will rise 15 to 18 percent. A decline of production and trade will be another inevitable consequences of these measures.

It seems certain that for these reasons also, 1991 as an interim year will require no small sacrifices to bring about the necessary changes, especialy as regards the quality of production in 1992. To make sure they are successful, it is imperative that the convertible dinar and foreign currency reserves should be preserved as guarantees of its exernal stability. Inflation must not exceed the average monthly increase of 1.5 percent; this must be combined with further deregulation, liberalization, intensified supply economy and expansion of the commodity market and capital market as integral parts of the world market.

If consensus is ensured and constructive cooperation of all economic policy factors is brought about, Yugoslavia will be able not only to formulate but to carry out and implement a consistent economic program which will facilitate the transition to the new system in the most efficient and most rational way. The FEC regards 1991

as being a decisive part of the process of transformation in which, in the economic sense of the word, we are abandoning an obsolete system and marching deeply into a new one.

Regardless of the fact that this is a transformation stage, during this stage we must provide answers and long-term solutions for several issues which so far could not have been elaborated in a more thorough fashion.

For instance, during the ensuing period we will not have a medium-term plan; we lack a permanently defined attitude toward the economically inadequately developed areas; the method of funding the Yugoslav People's Army has not been resolved; there is no projection for agriculture and energy, and so on.

Learning from the 1990 experience, the macroeconomic development and social policy must be based on the pattern, framework, and partial policy formulated and carried out in the first half-year of 1990, adapted, of course, to the conditions prevailing during the interim period next year.

For several successive years now the social sector of the Yugoslav economy, and therefore of our economy as a whole, has been functioning as a net loss-maker. The surplus of expenditure over and above revenue in the shape of the available social capital was simply melting away. The impoverishment of the economy signifies inadequate social product and an unfavorable outlook as regards its further increase.

Domestic and foreign funds [words indistinct] in restructuring the existing enterprises and in creating new ones capable of competing. Without this, there can be no growth in general, and, in particular, a qualitative growth which will be reflected in the economy adopted to the demands of the market and (?international) competition. Without such enterprises there can be not just economic growth [words indistinct].

The economic recovery presupposes removal of the loss-making parts of the economy [words indistinct] the reduction in the social product. That is, the change to sharp criteria: that the market selects producers, and that inflation is precluded from being a mechanism for redistribution. Under the conditions of the current volume of the expenditure which cannot be covered by [passage indistinct], which is an inevitable transitional phenomena in the period of structural turnrounds and of activating new, efficient investments from all sources. Therefore, in 1991 we reckon that the social product will fall, although not as much as this year [words indistinct]. Even under the presupposition of the most favorable combination [words indistinct]. On the other hand, the budgetary framework for determining all forms of distribution was chosen with a view to the trimmed social product and the still modest chances for foreign investment. The overall expenditure will have to be reduced to the existing, objective material levels. This, first of all, demands a tight monetary policy in 1991, which should curb inflation, that is, bring about price stability and preserve convertibility of the dinar. However, [passage indistinct] it is necessary to ensure all necessary preconditions for an efficient functioning of other macroeconomic policies, especially in the field of public expenditure and wages. Only thus will we secure conditions for carrying out the policy of a stable exchange rate, without which it is impossible to avoid an inflationary spiral in general indexation.

To avoid a further drastic fall in productivity, export activity, and the standard of living, and to prevent social tensions, we believe that in 1991 the basis of the day-to-day economic policy should proceed from convertibility of the domestic currency (?at a fixed 7:1 exchange rate) in relation to (?Deutsche mark). To ensure efficiency and productivity in work, and the ability of our enterprises to compete in world markets, it is necessary to ensure that inflation is no higher that the mentioned 1.6 per cent—on average—per month. To accomplish these goals, we must focus on the economy of supply, which demands that the already achieved degree of liberalization of our relations with foreign countries [words indistinct] be preserved.

[Words indistinct] space, the market for goods and services as a part of the European and world markets which do not allow and do not acknowledge (?fragmentations) within countries. Strong foreign currency reserves are backing this policy through their support for exports of goods and services.

A key factor [words indistinct] of economic policy in the coming year is the guarantee of funds for investment and the conditions for their efficient use. This prime economic issue is also related to the political sphere, or rather to the stabilization of political conditions in the country. Accounts show that $2 to 2.5 Billion dollars (through financial and commodity credits and joint investment) is the minimum net inflow of capital from abroad necessary to compensate for lost depreciation [izgubljena amortizacija] and encourage the process of structural changes with regard to the lack of domestic capital, particularly in enterprises in the social sector. Without this, the fall in investment in the coming year would amount to more than 10 percent. Therefore, a greater or lesser decline in economic activity, or the social product, in 1991 is directly related to the state of political stability in the country, or the assessment of foreign investors of the non-commercial risks attached to investment in Yugoslavia. Since the economic prerequisites, including the validity of our reforms, have been given high appraisals, with the forthcoming rehabilitation of the banks, the conditions are also created for their economic operation, which will make possible the lowering of bank interest rates, which in turn should improve the climate for investment. Equally, [word indistinct] that on that basis effective investment will be guaranteed as appropriate to a market economy. Equipping the economy (?to direct) funds toward [word indistinct] projects, including infrastructure, (?primarily)

small and medium-sized enterprises and housing construction will speed up, on the other hand, (?the realization of the system possibilities of enterprises) to receive direct loans from abroad, which will also have the effect of lowering the interest rates in the country.

Successful investment also implies the creation of appropriate financial structures and a series of adjustments to financial mechanisms. Unlike 1990, when the dominant task has been the formation of a commodity market, the prime task of economic policy in 1991 must be the formation of a money market, [words indistinct], and capital market, as well as the [words indistinct] of capital to real market relations which are allowed and demanded by our economy.

The condition for doing that is to improve our banking and financial system on the basis of a special program compiled by a group of well-known experts from Spain, specializing in these problems, together with a group of our experts from the Yugoslav National Bank and the Federal Agency for Securing Deposits and Bank Development. The program has been compiled on the basis of the results, in fact on the basis of the findings of an analysis of the situation in our banking system, prepared by the British firm of consultants Coopers Lybrand and Deloitte together with the Yugoslav social accountancy service.

The analysis has shown that the dubious accounts and the losses in the overall banking system in our country amounted to 144 (?billion dinars) which is about $12 billion. These accounts and losses are 3.1 times higher than the starting capital of the banks involved and account for 57.8 percent of overall deposits and for 35.9 [words indistinct] of the banks. Of course, these losses are not evently distributed among individual banks and individual areas of the country. Most losses have been located in medium-sized and large banks and in three republics.

The FEC proposes that bank improvement should be carried out as a combination of linear measures and indivdual improvement measures, and that this operation should begin immediately. The objective is to eliminate the previouslsy incurred potential losses of the bank [words indistinct]. The bank improvement program will be carried out in a way which implied investment of material resources, changes in the ownership structure of the banks, management changes, and the kind of updating of organization, management, and work method which will enable them to operate like similar financial institutions and standard market [words indistinct]. This means that the present practice of putting the money into inadequate enterprises and poor expenditure [as received] instead of putting it into good firms and firms with prospects and profitable projects must definitely be discontinued. Further regulations concerning the banks and the Yugoslav National Bank will create an institutionalized environment which will ensure the banks' conduct.

The linear improvement program which to some extent signals a property and income rehabilitation of the banks on the basis of [words indistinct].

According to first estimates, the linear improvement program will cover 31.6 billion dinars, or 22 percent of the total 144 billion dianrs in potential losses. Individual improvement programs will cover 102 billion dinars which is 70.8 percent of the total extent of potential losses. This will be achieved through decapitalization by federal agencies via long-term federal bonds and also through decapitalization at the republican and provincial level. The biggest burden of the bank improvement program (over (?95) per cent) will fall on the federation.

In this connection the biggest problem is [words indistinct] which will require special improvement program measures to avoid its liquidation. If this happened an entire republic would perhaps face economic collapse. This bank alone accounts for approximately one-third of the potential losses of our entire banking system, that is, over $4 billion.

It should be noted that the linear improvement program applies to dinar and to (?foreign currency) deposits under equal criteria for all banks and in this sense [words indistinct] is the same for everyone.

A section of the economy will be improved partly (?hand in hand) with the improvement of the banking system. These are improvement and income rehabilitation measures which will be taken within the ambit of the bank improvement program, as a result of which a section of the debtors will be enabled to regularly repay their debts to the banks.

[Words indistinct] and the federal budget will support not only the financial reorganization of banks, but will also make possible—by all the other measures—the formation of a money market and a market of securities.

For this reason in 1991, [passage indistinct] transactions on the open market. Ultimately, this can mean [words indistinct] justified and in which banks sell their money for valuable securities. These securities will be serviced by banks on the basis of their own interest [words indistinct] the economy which has a guaranteed demand and payment.

In this way the movement of money will be redirected. The interest rate policy must stimulate savings alongside a reduction of banking costs of banks which have already undergone reorganization. Apart from a money supply which will come onto the open market from the budgetary deposit and from the funds of the National Bank of Yugoslavia, interest rates will be significantly reduced, but they will still be several points above the inflation rate to encourage both citizens and enterprises to save.

Within the framework of the balance of payments, next year we are planning to introduce a right for enterprises and banks to incur debts abroad, providing they can guarantee

repayments themselves. In this respect we should take the first steps toward the integration of our financial and banking systems with the world money market.

In this way the function of the Yugoslav National Bank will start to change substantially. Its task will no longer be to support production and reserves, but to ensure the quality of our currency and our liquidity in our relations with foreign countries. The gradual opening to and inclusion of the Yugoslav banking and financial sytem in world development, and liquidity and healthy banks and enterprises in the country. To bring this about, the process of privatization of our enterprises, both on the basis of internal and especially on the basis of external shares, will have to be accelerated. This will also accelerate the process of the formation of a capital market.

A healthy economic development and the stabilization tasks for next year require a substantial reduction in public expenditure. Public expenditure, which is still running at a level in excess of 40 percent of the social product, must be reduced to 34 percent. As regards this, and from the point of view of its revenue, the federal budget must not be higher than nor must it burden the social product by more than 9.3 percent. It should also be borne in mind that this budget will acquire new functions, especially in connection with improving the banking system, without which the economy cannot be cured and without which the federal budget cannot take a bigger share in the country's social policy. What happens is that to finance the social program we propose that the resources should be increased from $150 to 200 million, plus a foreign debt for an additional $150 million, which is a total of $350 million. The result will be that expenditure will be higher than the available sources [of revenue], and for this reason it will be necessary to (?augment) it from the [word indistinct] debt at a level which will represent 1.1 percent of our social product. As can be seen, this increase in the federal budget is not for the purpose of the traditional expenditure and of financial burdens being imposed on the economy, but from the economy's cure and development.

The restrictive tax policy must take upon itself the main burden of stabilization, with the aim of reducing the costs of inflation pressures and creating possibilities that the economy can have sufficient funds for restructuring and further development. A novelty in the budgetary policy is [word indistinct] deficit financing of the federal budget which opens up a possibility of [words indistinct] securities. It is possible to reduce tax duties by this much and encourage the expansion of the securities market [as received]. In this way the development and mutual coordination of the monetary and tax policies are ensured—all with the aim of expanding the market, especially the market of money and capital.

Personal incomes must (?have the same treatment) in next year's economic policy. [passage indistinct] The policy of personal incomes must be motivated toward greater efficiency and labor productivity. For this reason personal incomes which are the result of the above should not be restricted, except when funds are taken out for the feeding [alimentiranje] of capital and thereby the funds necessary for development. But all those who operate with losses [words indistinct] insolvent cannot pay out the wages [words indistinct], which represents a threshold of social tolerance. In enterprises where conditions for the transformation of social capital are created, wages will be regulated by collective agreements.

The basic thing as regards this is that the ownership restructuring of the [word indistinct] enterprises should be ensured and motivated as much as possible, not only in the sphere of services but also in production and [words indistinct]. This is the right way to use new substantial development funds, instead of using them for expenditure, as I have already said. We are expecting to receive additionally from abroad at least $2.5 billion, which must be channelled as much as possible into encouraging the formation of a new economic structure and of small and medium-size enterprises, so as to make sure that this develodpment trend, which started during the first nine months of this year, can not only be continued but strengthened next year while also providing employment for several hundred thousand new workers. In this way we would facilitate the transformation of the social [words indistinct] which must reduce the number of employed workers.

The additional resources for social programs and social welfare which [words indistinct] set aside at all levels—in municipalities, republics, provinces and the federations where, as you have seen, the federation can set an example. It will make it possible for the social pressure and a solution of social problems to be taken out of the enterprises and transferred to society. This will provide a framework whereby, as a result of its transformation, the social sector—ranging from the ownership structure, management structure, existing organization and everything else in keeping with the requirements of further development—will be equipped to enter the competition both in our country and (?abroad) on an equal footing.

This policy for 1991 requires not only a good program but a proper definition and management of macroeconomic policies. We expect that [words indistinct] multiparty elections due to be held in our country by the end of the year and with the Constitution [words indistinct] of a new Yugoslav Assembly—in the interest of the further development and progress of our country—support for this program will be possible [words indistinct] also contribute to the mobilization of all the forces in our society for its implementation.

A prerequisite for the development of our country's economic system is even greater involvement and integration in the European and world markets. In this process, we must take into account the fact that we shall be faced by a series of objective difficulties which had not been foreseen in time, for example, the marketing of our goods in Eastern European countries due to their internal problems. Likewise, there is uncertainty over our marketing in the Middle East. This means that we will have to consolidate our economic contacts with the

part of the world where realistic conditions exist for them, in other words, in part of the developed world and in some underdeveloped countries. Apart from supporting exports by our macroeconmic policy, our export competition will significantly benefit from a series of supportive measures to boost basic economy. The most important of these are reduction in interest rates, right to incur foreign debts, rebate on interest rates, reduction in labor costs, restoration of customs and other taxes, and a further extension of exporters' rights to a rebate on import duties. Finally, the trends in setting up the money market and short-term securities in our country will make it possible for successful export firms to secure the most favorable market, commercial and banking treatment and to obtain funds—via this market—through discounted securities. It goes without saying that these must be the kind of securities in which the market will be interested.

The next input of capital for the purposes of investment will inevitably be linked with the deficit in the current transactions with foreign countries, which is estimated at $1.9 billion for the year 1991. On the other hand, a transition to a convertible method of payment with all countries and the process of closing the clearing balance will have the same purpose.

We concernved the policy of economic relations with foreign countries in line with the general orientation toward openness of our economy, and with demands stemming from the achieved degree of convertibility of the dinar and our ambitions to join in due time the European integration processes and the world markets, including the system of protection, which, taking into account differences in the achieved degree of economic development, would gradually reach the level of protection enjoyed by our main trade partners abroad.

The policy of economic relations with foreign countries is continuing to play the key role in the establishment of market relations, in the stabilization , and in the process of improving the efficiency of the domestic economy. Within the framework of the economy of demand, the liberalization of exports will be kept at the present level. Interest in exporting will be stimulated through strengthening competition and tightening conditions for selling goods on the domestic market. Therefore, we count on a dynamic growth of the value of the overall exports of goods and services, up to eight percent, and an even faster growth of the value of imports, up to 18 percent, while conditions for barter exchange will deteriorate due to increased oil prices and poorer development performance in the OECD region (lower economic growth and increased inflation).

To identify losses in the country's economy, and the main loss-makers, it is necessary in 1991 to involve the whole of society in this, a process in which the federation, that is, the common state can play a helpful role. It is necessary to draft a research project on long-term economic recovery at the level of municipalities and republics. The project will be jointly financed, above all, from funds from the EC program of aid to countries undertaking economic reforms and from other foreign aid, especially from the World Bank for Restructuring and Development. To this end, we should define a special program similar to the program for the recovery of the banking system. An agency for restructuring the economy at the level of republics and provinces should take this task upon itself.

This program ought to be directly linked to the restructuring of banks and their recovery.

Within the program of the economic reform, new relations in agriculture will be introduced next year, which will be marked by starting the process of ownership and production restructuring and setting up an adequate system of protection and incentives for agricultural producers. This is the precondition for winning the main objectives in agricultural development—securing a sufficient level of supply of agricultural products whose price and quality will make them acceptible for domestic consumers and also make them competitive as exports. In this context it is important that private initiative is at the heart of these policies, that is, the farmers and agricultural cooperatives as new economic subjects. In this way emphasis will be put on the revitalization and development of rural areas, and the development of small businesses and other complementary functions in rural areas, since without this there can be no increase in productivity and effectiveness in agricultural production in general, nor can the overall standard of civilization in the rural areas be improved.

In addition to other institutional solutions, and to ensure full competition among producers of all forms of ownership in agriculture, the existing system of incentives and protection of agricultural production wil be radically changed. This is prompted by the fact that the picture of our agricultural market is considerably distorted by subsidies on the part of expenses and interest rates which are funded by significant contributions but which are nevertheless unknown to most producers, who have not even been receiving them. In the light of their development mechanism, these measures are not neutral regarding the ownership structure. This is why the incentives from the federal budget will be diverted from expenses to premiums for end producers. Regardless of budgetary limits, the amount of the funds for these incentives has been set at 7.1 billion dinars, which means that it will be higher than this year. Premiums will be secured for a certain number of agricultural products in 1991.

This selection will be aimed at motivating that part of agriculture, primarily cattle-breeding, which is also at the same time the precondition for energizing and restructuring the overall agricultural industry.

This is an area whose development is the condition for reviving the rural areas in general and the mountain areas in particular. In this context it is very important for the new mechanism to ensure that each producer in agriculture—farmer, cooperative, or enterprise—receives its premiums directly and makes this state incentive visible, that is, makes it obvious that no producer is favored along these lines, that this incentive is neutral towards any form of ownership, and that the effects of this incentive do not get lost due to the system of distribution being too complicated.

Hence, the main characteristics of the macroeconomic policies for 1991 which should ensure the further successful development of the program of economic reform are:

—The further consolidation of the convertibility of the dinar, maintaining its exchange rate pegged to a 7 to 1 ratio to the Deutsche mark;

—Curbing and stabilizing prices at a 1.5 percent monthly increase rate;

—Stimulating the process of structural changes in the economy, primarily on the basis of changing ownership relations and the transformation of social property into other, more profitable, forms of ownership;

—Maintaining the attained level of liberalization and the further development of the products and services market as an integral part of the world market;

—Consolidating the banks;

—Developing financial markets—money market and capital market—and reducing the cost of financing the economy by reducing the price of money and capital to a realistic level dictated by supply and demand on these markets, something that will be facilitated by the recovery of the banking system;

—Creating the conditions for developing a labor market;

—A restrictive monetary policy with the purpose of reducing prices and their stabilization at a level which will be close to the rate of inflation of our principal economic partners abroad and of liquidity in international transactions;

—Reducing public and personal spending to the limits of the social product derived from the model of the first half of 1990;

—A more active role for social policies, in which the federation's budget will take part to an even greater degree than this year;

—The further consolidation of the supply economy in conditions of the achieved degree of liberalization in economic relations with foreign countries and better stimulation for exports;

If we implement the proposed macroeceonomic policies resolutely and consistently, we shall ensure that the aims and tasks envisaged by the economic policy of development for next year are carried out. Otherwise an even more serious fall in social product than predicted can happen, with all the negative consequences stemming from such an outcome.

Addressing this appeal to you in these critical moments for our community and the future of our nations and nationalities, I want to conclude:

1. The discussion about the amendments to the existing Constitution ought to be terminated as soon as possible, as the FEC has suggested, and legitimate representatives of all the republics and provinces should be enabled to achieve a new agreement on coexistence and the country's future. Elections to the Federal Chamber and the renewed composition of the Chamber of Republics and Provinces could considerably facilitate a situation where all possible options could be discussed in peace and an agreement reached on the character of a future Yugoslavia.

In the meantime, the existing Constitution and legislation must be respected so that we can prevent breaches in the legal order and the business and legal system, and the chaos that can beset us—something every civilized state and society tries to avoid at all costs.

2. Democratic political life, market economy, multiparty elections, full respect for human rights, a rule-of-law state, and the takeover of functions by legitimate authorities in Kosovo—these are the crucial demands of our public and the international public. Taking them into account would not only restore our country's reputation but swing its doors wide open to foreign aid and foreign capital and promote the integration of our economy and country into European processes.

3. There is no alternative to implementing the economic reform, which has already yielded tangible results. It is an integral part of the political reform, its economic basis, so the way out of the economic crisis and each republic's economic prosperity depend on its success. No one can avoid the cost of its successful implementation—everyone can give up something to enable us all together to pay as little a price as possible and to cut down the time for its implementation. Everyone will be individually forced to even greater sacrifices if he tries to set out on his own on the way of the inevitable changes. There is also a danger of failure, stemming from the fact we are still not willing to take reasonable approaches, so that any agreement is also in danger of getting us into even deeper crisis, taking us back, or even of leading to some attempt to solve by forcible methods something that can only be solved by agreement among the peoples and republics. This is why our responsibility, before our conscience and the people, is enormous and this is also the reason behind that duty which directs peaceful and responsible people toward peaceful, rational and reasonable attitudes toward even the most complex of issues, without prejudices and emotions, while being aware of the historic juncture we are facing.

In a word, only voluntary cooperation between all republics and provinces during this interim period can replace a lack of lasting solutions in all the domains of our life together, especially in the economic sphere.

Our resolve in implementing the economic reform and carrying out a democratic transformation of Yugoslavia will ensure foreign support, which is essential for the successful implementation of the reform, for the renewal of the economy, and for a new economic and social pace in Yugoslavia.

4. These major changes cannot be carried out successfully without a well-thought-out social policy and program, without which it is devoid of any real substance. Both the former and the latter have been clearly outlined in our program and are well within our financial possibilities. This represents an active attitude and a commitment to a modern social and equitable state which will not, for the sake of progress, forget the socially underprivileged.

5. Aware of my own responsibility and of the responsibility borne by the FEC for the exceptionally complex tasks which we have undertaken, I believe that all our citizens are aware of our real interests and of all kinds of links which permeate us. To cut them would bring enormous harm to everyone. The spirit of cooperation and ties which has gained the upper hand in Europe, and our future—which can only be European—must not bypass us.

A successfully implemented reform will open wide the door into Europe for us, and everything must be left behind us as a redundant burden of history.

The FEC will also operate most vigorously during the interim period, making use of all its constitutional powers to implement our social and economic reform; and it expects that it will not be hampered and frustrated, as it has been until now, that is to say, that it will enjoy the support of this Assembly and of the majority of the Yugoslav public.

Mandate for Federal Chamber Delegates Extended

LD1511231290 Belgrade TANJUG Domestic Service in Serbo-Croatian 1510 GMT 15 Nov 90

[Text] Belgrade, 15 Nov (TANJUG)—The SFRY Assembly's Federal Chamber today passed a decision whereby, until the constitution of a new multiparty SFRY assembly is finalized, the mandate of delegates in the Federal Chamber is being extended.

It is the duty of the legislative-legal commission of the Federal Chamber, in accordance with this conculsion, to prepare a decision whereby the mandate of the federal government would also be extended.

Assembly Urges National Referendum on Future

LD1411224190 Belgrade TANJUG in English 1902 GMT 14 Nov 90

[Text] Belgrade, 14 Nov (TANJUG)—Yugoslavia must in [the] future be a modern democratic state which will meet the interests of all its peoples, the delegates of the Chamber of Republics and Provinces of the Yugoslav parliament said today.

The delegates said that the current profound constitutional crisis was perhaps the most serious one in the past decades, but that it must be overcome peacefully, not by insisting on exclusiveness which would lead to civil war.

The delegates assessed that the 1974 Yugoslav Constitution is at the core of the crisis which is threatening to break up Yugoslavia. The Constitution gave great independence to the republics and provinces which has led to antagonism of interests and the desire to become independent states and even secede from Yugoslavia, as demonstrated by the Republics of Slovenia and Croatia.

Concluding that the existing model of the Yugoslav federation was used up, the delegates unanimously concluded that a new one should be found for a strongly united country, not divided into six republics.

The basis of today's debate was the proposal of the Yugoslav State Presidency on the future order of Yugoslavia as a federation, the joint proposal of the republics of Slovenia and Croatia for a confederative order and the proposal of the Republic of Bosnia-Hercegovina that Yugoslavia in future be organized as a modern democratic state.

Today's debate about the options and the current crisis in the country concluded that a final decision on Yugoislavia's future order should not be made by officials and other politicians at a negotiating table, but by the peoples of Yugoslavia at a referendum.

Decision on Situation Postponed

LD1611102290 Belgrade TANJUG Domestic Service in Serbo-Croatian 0827 GMT 16 Nov 90

[Text] Belgrade, 16 Nov (TANJUG)—Several delegates drew attention to the extremly difficult situation in Kosovo and the Knin region at the beginning of today's session of the SFRY Assembly's Federal Chamber which is discussing the political and security situation in the country. The delegates stressed that all problems must be resolved through dialogue, and in a peaceful and democratic manner.

It was agreed at the beginning of the session that conclusions on the current political and security situation are not to be adopted today, but at the next Federal Chamber session.

The Federal Chamber today should adopt the changes to the law on personal incomes of SFRY Assembly delegates and officials appointed by the Assembly.

Government Rejects Accusations on Agrarian Policy

LD1411195390 Belgrade TANJUG in English 1738 GMT 14 Nov 90

[Text] Belgrade, 14 Nov (TANJUG)—The Yugoslav Government today dismissed as unargumented the charges made by certain republics (primarily Serbia) that it was implementing an inadaquate agrarian policy.

A communique of the government information secretariat specifies that Yugoslavia's agriculture this year will receive 11.4 billion dinars (around one billion dollars) in the form of various facilities and subventions.

The agriculture will also directly receive from the federal budget a little over six billion dinars (around 500 million dollars) through subsidies, favourable interest rates and export incentives.

Half of the deposited funds so far (almost two billion dinars) recently went to Serbia, the communique sets out.

The government dismissed attacks that its policy was pushing agricultural production to the brink of disaster, claiming that decisions for intervention, imports of processed food products were taken only in cases when the prices of these products in Yugoslavia were over 30 percent higher than in Europe.

The federal government has no intention of aggravating the position of agriclture in Yugoslavia but to break up monopolies on the market, without which an economic reform is impossible, the communique sets out.

The government estimates that the agriculture issue is but a pretext for organizing a front of "old", out-dated forces which are trying at all costs to hold on to their monopolies, not only in the economy but also in politics.

Serb President Milosevic To Run for Reelection

LD1511201990 Belgrade TANJUG in English 1759 GMT 15 Nov 90

[Text] Belgrade, 15 Nov (TANJUG)—The main board of the Socialist Party of Serbia (SPS) during its session in Belgrade today appointed the party's president, Slobodan Milosevic, as Serbian presidential candidate in the upcoming multi-party elections.

Milosevic, 49, has been Serbia's president since May 1989.

The party's main committee, as reported, drew up the list of candidates for parliamentary seats in all 250 election precincts.

The Socialist Party of Serbia is for a legal state, freedom of all citizens and respect of human rights, for peace and social progress. It advocates national equality, social justice and economic prosperity of the Republic of Serbia, a meeting communique sets out.

Four candidates have so far registered to run for republican president in Yugoslavia's largest republic, Serbia.

Fourteen Seats Awarded So Far in Macedonian Vote

AU1611161590 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 16 Nov 90

[Marija Damjanovska report from Skopje; date not given—recorded]

[Text] Fourteen candidates have successfully finished the first electoral race and won deputies' seats in the new Macedonian parliament. Most seats have been won by members of the Party for Democratic Prosperity, that is Albanians, with seven seats; the Communists have five seats; and the Alliance of Reform Forces and the Socialists have one seat each.

Therefore, according to the figures so far, which amount to about 80 percent of the information from the polling stations, 282 candidates will be continuing on to the next round of electins. Most of them, 69, continue to be from the League of Communists, but the Alliance of Reform Forces, together with the young Democratic Progressive Party, has only one fewer with 68, and the VMRO [Internal Macedonian Revolutionary Organization] has 67 candidates. The Party for Democratic Prosperity so far has 16 candidates in the next round of the electoral race, but it should not be forgotten that they have already won 15 percent of deputies' seats and the voting in many of their communities has been annulled.

One should also not lose sight of the fact that there are still no figures whatsoever on how the voting went in the Skopje communes, and this could have a very important effect on the result.

In today's statement by the republican Electoral Commission, it was also said that voting has been annulled in 135 polling stations in 28 constituencies or about 20 percent of the total number of polling stations.

The atmosphere in the republic today continues to be fraught with interethnic intolerance and nationalist euphoria, particularly among young people. The Committee for All-People's Defense and Social Self-Protection in Tetovo has reported an increased number of fights between Albanian and Macedonian school children in primary and secondary schools in the town and some villages, which does not bode well.

The communal Secretariat for Internal Affairs in Ohrid has warned of a rise in anti-Albanian feeling because large groups of VMRO members reported to the secretariat last night, demanding that it take part in a final showdown with the Albanians.

Croat News Agency Condemns Kornilov's TASS Item

LD1211180190 Belgrade TANJUG in English 1621 GMT 12 Nov 90

[Text] Zagreb, 12 Nov (TANJUG)—The news agency of the Yugoslav Republic of Croatia, "HINA" on Monday [12 November] accused the Soviet news agency TASS, of using "models of Russian policy towards the south Slav peoples dating back to the pre-Leninist times."

The commentary of "HINA", which expresses the stands of the new Croatian authorities, focused on the October 23 article of TASS's commentator Yuriy Kornilov. According to "HINA", Kornilov stated concern over the alleged action in Yugoslavia of forces ignoring that country's valid constitution and paying no heed to the interests of partners in the federation. "HINA" claims that "as the driving force behind this destructive action" TASS identified the northwestern Republics of Slovenia and Croatia.

The commentary of mister Kornilov was not an expression of the renewal of Brezhnev's doctrine on limited sovereignty, but about something worse still: It bears evidence that both Lenin's revolution and Gorbachev's perestroyka failed to thoroughly change certain diplomatic and propaganda [word indistinct] from the old tzarist times, "HINA" concludes.

Loncar Concludes Tour, Meetings in Middle East

Meets With Syrian, Egyptian Leaders

LD1511224590 Belgrade TANJUG Domestic Service in Serbo-Croatian 2221 GMT 15 Nov 90

[Text] Belgrade, 15 Nov (TANJUG)—Budimir Loncar, federal secretary for foreign affairs, ended his Middle East tour and returned to Belgrade this evening. The aim of the tour was to seek a peaceful solution to the gulf crisis.

In the past several days Loncar, in his capacity as coordinator of the nonaligned countries, visited Tehran, Abu Dhabi, Damascus, and Amman. He exchanged views with the most eminent statesmen of these countries on possibilities of ending the gulf crisis and the role of the nonaligned countries in this exceptionally important action.

In Damascus today Loncar met Syrian and Egyptian Presidents al-Asad and Mubarak, and in Amman he was received by Jordanian Foreign Minister Marwan al-Qasim.

Loncar Reviews Visit, Peace Efforts

LD1611141990 Belgrade TANJUG Domestic Service in Serbo-Croatian 1037 GMT 16 Nov 90

[Excerpts] Belgrade, 16 Nov (TANJUG)—"I went to the Middle East convinced that there was still time to avert war in the gulf. If I did not believe this, then I would not carry out the mission entrusted to Yugoslavia by the Nonaligned Movement. I hope that there are chances for war to be averted."

Budimir Loncar, federal secretary for foreign affairs, told TANJUG this upon his return from the "good-will" mission, which the nonaligned countries entrusted to Yugoslavia, as the chairman of the movement. The goal of the mission was to find a political and peaceful solution to the gulf crisis caused by Iraqi aggression and the occupation of Kuwait. [passage omitted]

"In the course of the talks I had in the past three days, grave concern was aired about the fact that the crisis is on the brink of an explosion which threatens to turn it into a major world conflict," Loncar said. According to him, everyone acknowledges that the gulf crisis has jeopardized positive changes in the world, precisely when the world is heading towards a new order.

Despite the fact that the situation is very serious, Loncar and his aides on the recently concluded Middle East mission are convinced that the crisis should be resolved in a peaceful manner and that it is not too late for such a resolution to be found. Loncar also stressed "at the same time, the conviction was expressed that the Nonaligned Movement, whose members include both Iraq and Kuwait, must invest enormous effort to prevent the worst from happening in the region."

The Yugoslav foreign minister spoke with special satisfaction of the stands of Iran, the United Arab Emirates, Syria and Jordan on Yugoslavia's role, both in the movement and in resolving the gulf crisis. "Yugoslavia is honored for its resolute and brave activity up to this point. These countries believe Yugoslavia's activity in the gulf crisis was both timely and beneficial. This refers, above all, to the fact that Yugoslavia succeeded in rallying all nonaligned countries which voted in favor of the relevant United Nations Security Council resolutions behind the common objective—a peaceful resolution of the gulf crisis."

These honors charge Yugoslavia, as the nonaligned chairman, with additional obligations. "Following this mission, we must strengthen our efforts to resolve the crisis. The objectives are to cause a certain change in the Iraqi stand and the unconditional withdrawal of the Iraqi troops from Kuwait. On top of this, we must be in a constant touch with all five permanent members of the Security Council."

Asked why he "bypassed" Baghdad on his tour, Loncar said: "We did not plan to go to Baghdad now, because Baghdad is neither showing a sufficient degree of flexibility toward the resolution of the crisis, nor is it acknowledging facts and the realization that we are on the brink of a catastrophe. We are convinced that after this mission, Iraqis will finally grasp the seriousness of the situation and that, following this, we shall have talks with them. We hope they will realize that this is their last chance to start moving toward the solution advocated by their closest friends, Arabs, and the entire world."

Exclusion of Iraq on Visit Explained

AU1611124690 Zagreb VJESNIK in Serbo-Croatian 14 Nov 90 p 16

[Unattributed report: "Why Is Loncar Not Going to Baghdad"]

[Text] Belgrade—The current Middle East mission of Budimir Loncar, federal secretary for foreign affairs, whose aim is to find a peaceful solution to the gulf crisis, started with a visit to Tehran, continued with talks in Damascus, and is ending in Amman. Considering that the solution to the crisis must be sought in Baghdad, the question is why the federal secretary, as the coordinator of the Nonaligned Movement, is not going to the Iraqi capital. During the preparations for this mission, the Yugoslav diplomatic service tried both directly and indirectly to arrange a visit to Baghdad. At present, there is no official information why, at least up to now, Baghdad has been against a visit by Loncar, that is, the nonaligned countries. A possible explanation lies in the fact that in its official statements Yugoslavia sharply criticized Iraq's invasion of Kuwait on three occasions. Second, as we have unofficially learned, Iraq tried to arrange a visit for somebody from Yugoslavia as far back as the middle of August, but a visit could not be arranged at that time because the Nonaligned Movement had not reached a decision on that. The decision was reached on 4 October at the ministerial meeting of nonaligned countries in New York. It has unofficially been learned that the Iraqis conditioned Loncar's visit to Baghdad with a new Yugoslav statement on the crisis in the gulf whose content would be acceptable to the Iraqis, something that is impossible to expect.